



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

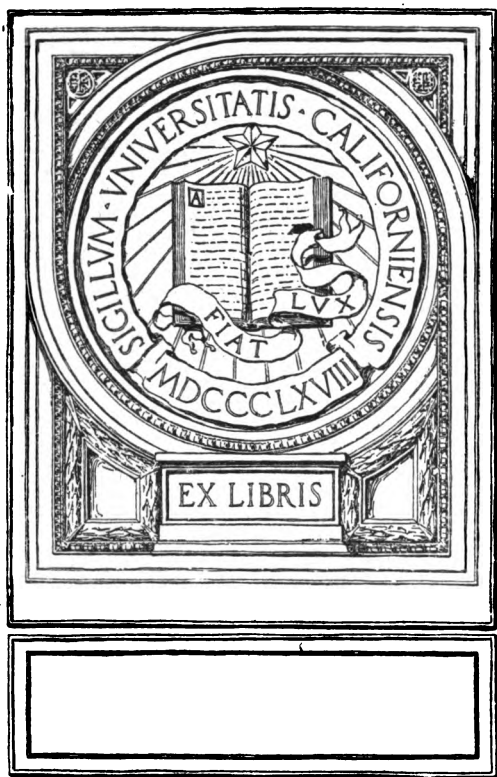
Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

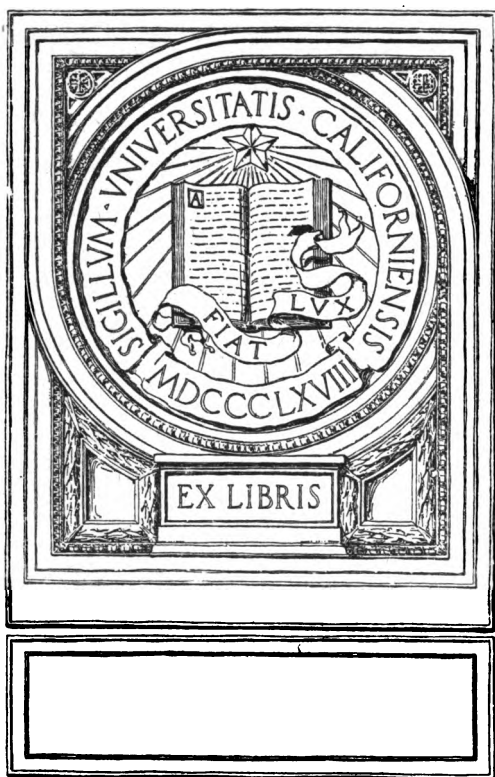
We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>





CURRENT POLITICAL PROBLEMS

CURRENT POLITICAL PROBLEMS

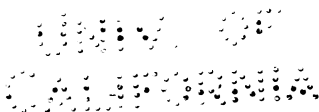
CURRENT POLITICAL PROBLEMS

WITH PROS AND CONS

BY

SIR J. D. REES, K.C.I.E., C.V.O.

AUTHOR OF "THE MAHOMEDANS," "TOURS IN INDIA," "THE REAL INDIA,"
"MODERN INDIA," ETC.



LONDON
EDWARD ARNOLD

1912

All rights reserved.

JN234
.R4

TO VINU
ABSORBED

1657/13

E.

PREFACE

THE book I was asked to write was to be entitled *Pros and Cons of Current Political Problems*, with the intention that the attitude of both Radicals and Unionists towards those problems should be, as I think it is, stated. But it is almost impossible for any one taking an interest in politics, or indeed in his country, to be without a decided opinion upon one or the other side. If it happens that I incline in the Unionist direction, the arguments on either side are nevertheless given with the utmost impartiality at the end of each chapter. It would be possible to compose a book consisting only of such pros and cons, but surely it is of more interest, perhaps even of more use, for the author to give his own opinions in a plain straightforward manner, which in no way prevents the reader from studying the pros and cons, either before or after he has read, or without reading, the chapters.

In spite of the large composite majority which exists to-day in the House of Commons, the excess of votes for the Government over those cast for the Conservatives at the last General Election was only 6 per cent. It is possible, therefore, that there is room for a book of this character at the present moment when far-reaching changes have been, and are being, effected in the Constitution, and in the character of British rule. In that hope my volume is offered to the public, in spite of all its imperfections.

Field-Marshal Lord Roberts, Admiral Lord Charles Beresford, Lord Cromer, Mr. Buckland, C.I.E., and Mr. Philip Cambray, have kindly looked at the proofs of the chapters on the Army, Navy, Foreign Affairs, India and Ireland respectively, but I alone am responsible for every opinion offered and every fact stated.

242904

J. D. REES.

January 1, 1912.

v

CONTENTS

CHAPTER I

	PAGE
DEFENCE—THE NAVY	1

Its duties—Two-power standard—Estimates, 1911-12—Great Britain and Germany—Comparison of fleets—of docks—of *personnel*—Political seamanship—Subordinate Ministers, Labour Party, and Little Navy—Navy and employment—French Government and Little Navy—Dominions—Invasion—Right of capture at sea—Russia and Japan—Finance—Arbitration—Navy and social reform—Declaration of London. *Arguments for and against* Declaration of London—Reduced Navy.

CHAPTER II

DEFENCE—THE ARMY	30
----------------------------	----

Its functions—Position of Germany—Triple *entente*—Expeditionary force—Our land frontiers—Turkish Army—Defence problem—Russia—India—Lord Haldane's policy—The Territorial Army—Compulsory training—Lord Roberts's opinion—Sir Ian Hamilton's views—Scheme of National Service League—Invasion—Ethics of war and peace—Arbitration treaty with America—Socialism in England and France—Expenditure on armaments and waste—Colonies and defence. *Arguments for and against* a Small Army—Compulsory Military Training. Bibliography.

CHAPTER III

FOREIGN AFFAIRS	65
---------------------------	----

Parliamentary treatment—Anglo-Russian convention—Anti-Russian demonstrations—Question of Finland—Somaliland—Illicit arms traffic—Turkey—Albania—Crete—Egypt—Pan-

Islamism—The Congo—The Baghdad Railway—Railways to India—Morocco—Alliance with Japan. *Arguments for and against* Friendly Relations with Russia—Russia's attitude to Finland—Withdrawal from Somaliland—Representation and the like reforms in Egypt—Recognition of annexation of Congo—British participation in Baghdad Railway.

CHAPTER IV

INDIA 113

India in Parliament—Indian officialdom—Current controversies—Police—High Courts—District magistrates—Congress—Army—Reductions—The drain from India—Tariff reform—Cotton—Tea—Education—Opium—Census. *Arguments for and against* the Indian Police—Reduction of Army—Preferential Tariffs—Free and Compulsory Education—Opium—Unrest, Representative Institutions and Reforms.

CHAPTER V

THE COLONIES 152

Imperial Conference, 1911—Imperial co-operation—Imperial Council of State—Standing Committee of Imperial Conference—Mr. W. Guinness's resolution—Declaration of London—Labour Exchanges—Interchange of Civil servants—Lord Elgin's secretariat—Secretariat and ministerial proposals—Naturalisation—Intra-Imperial migration—Indian immigration—Socialist Labour Party—Cables—All-red route—Royal Commission on commercial relations—Treaties—Tariffs—Income Tax—Shipping combinations—Imperial Court of Appeal—Enforcement of arbitration awards—Defence—Criticism of general results of Conference—House of Commons—Indian indentured labour—Dinshulu—Southern Nigeria Liquor Commission—Masai—Was the Imperial Conference of 1911 a success?—*Arguments for and against.*

CHAPTER VI

TRADE RELATIONS AND TARIFF REFORM 187

The Manchester school—State interference with industry—Eastern competition—Protection of labour—Prophecies falsified—Protection and Democracy—Who pays the duty—Dumping—Free Trade and Trusts—The "double" market—Negotia-

CONTENTS

ix

PAGE

tion—"Most-favoured nation" treatment—The "evils" of Protection—Everything dearer—Imperial Preference—Expanding Colonial markets—The "dear loaf" cry—The need for immediate action—Great Britain and the Canadian agreement. *Arguments for and against* Tariff Reform. Bibliography.

CHAPTER VII

THE CONSTITUTION 210

The Constitution—The creation of peers and its effect—The lesson to be learnt—The Prime Minister's admission—Only a half-measure—Not a settlement—The Referendum—Radical coquetting—Instability of legislation—The reform of the House of Lords—Payment of Members—Repayment of expenses—Unionist plans of reform—The Lords and Liberal Bills. *Arguments for and against* the Parliament Act—The Referendum—The Payment of Members. Bibliography.

CHAPTER VIII

FRANCHISE AND REPRESENTATION 230

Simplification necessary—Suggested reforms—The qualifying period—The lodger franchise—Adult suffrage—Our franchise system—Its extensions—Women suffrage—Plural voting—One vote, one value—The need for redistribution—Methods of representation—The second ballot—The alternative vote—The cumulative vote—Proportional representation—The list system—The transferable vote. *Arguments for and against* women's suffrage—Plural voting—Proportional representation. Bibliography.

CHAPTER IX

THE IRISH HOME RULE QUESTION 259

The Liberal argument for British electors—Half measures useless for this purpose—What is meant by Home Rule—The doctrine of nationality—A qualified acceptance—False analogies—Separation must be faced—Unionist policy not negative—Land reform and development—Nationalist attitude towards self-help—The danger of extremer measures—The Unionist minority—The religious aspect—The fear of intolerance—The question of safeguards—Home Rule inopportune. *Arguments for and against* Home Rule. Bibliography.

CHAPTER X

THE EDUCATION QUESTION	PAGE 283
----------------------------------	-------------

The dual system and the Act of 1870—The need for legislation—The Act of 1902—The position of voluntary schools—Nonconformist opposition—Popular control—Endowment of sectarian teaching—Tests for teachers—The Birrell Bill 1906—Other attempts—Mr. Bunciman's Bill—The need for a settlement—Parents' rights. *Arguments for and against* Denominational and Undenominational Education. Bibliography.

CHAPTER XI

DISESTABLISHMENT AND DISENDOWMENT	304
---	-----

Disestablishment—Hostility to the Church—The "breeches pocket" argument—The secular solution—The complaint of inequality—The obligations of Establishment—The "Free" Churches—Disendowment the real question—The claim of "national property"—The particular case of Wales—The "majority" argument—The "alien" Church—The Irish analogy—An advancing Church. *Arguments for and against* Disestablishment and Endowment. Bibliography.

CHAPTER XII

FINANCE AND TAXATION	320
--------------------------------	-----

The revenue tariff—The "higher prices" objection—Taxation of necessities—Basis of taxation too narrow—Liquor licences—Revenue not revenue—Taxation of capital—Its effects on industry—Income tax—The land taxes—Unearned increment—Site value—Undeveloped land duty—Effect on housing and building—Nationalisation the objective—The problem of local finance—National services paid for locally—"Assigned revenues"—Recent developments—The pressure of "efficiency." *Arguments for and against* our financial system—Land taxes—Taxation of mining royalties. Bibliography.

CHAPTER XIII

SOCIALISM	345
---------------------	-----

Revolutionary Socialism—The evolutionary Socialist—Modern tendencies towards Socialism—The weapon of class prejudice—Radicals and Socialism—The triumph of Fabianism—The

CONTENTS

xi

PAGE

Lloyd George Budget—Socialism and social reform—Economic Liberalism—The Labour Party—The capture of the trades unions—The Osborne judgment—The Liberal solution—A question of public policy. *Arguments for and against the Osborne Judgment.* Bibliography.

CHAPTER XIV

SOCIAL REFORM 363

What are measures of—Unionists and—Future Unionist policy of—The influence of Socialism—Old Age Pensions—Poor Law Reform—The Minority Report—Labour conditions—An eight hours day—The minimum wage—Some difficulties—Distress from want of employment—Unemployment and insurance—Obstacles to insurance—Sick and invalidity insurance—Friendly societies—Defects of Mr. George's scheme—Small provision for invalidity—Unnecessary insurance—Omissions—Competitive Insurance—Cost of social reform. *Arguments for and against Right to Work Bill—An Eight Hours Day—A Minimum Wage—Strikes.* Bibliography.

CHAPTER XV

RURAL LAND REFORM 390

Rural depopulation—Our foreign food supply—Tenancy v. ownership—The advantages of tenancy—"The magic of property"—The objections to tenancy—The burdens of ownership—Assistance for purchasers—Security for advances—The objection to State credit—National Land Banks—*Arguments for and against an ownership system of small holdings.* Bibliography.

INDEX 405

CURRENT POLITICAL PROBLEMS

CHAPTER I

THE NAVY

WORDS are wasted in demonstrating that the Navy is the first line of defence, that the country looks primarily to its battleships for its security, and it must never be forgotten that if our Navy fortunately is still, though unfortunately no longer much, stronger than that of any other Continental Power, it has duties to perform which fall to the lot of no other fleet. Our insular position, though no doubt it adds to our security, is in at least one important respect a disadvantage, inasmuch as food supplies can only reach us overseas, so that our battleships have necessarily to keep open the ocean highways, as well as to provide for the safety of British merchantmen and British possessions all over the world.

TWO-POWER STANDARD.

It is now held by the Liberal Party that the numerical calculation for the two-Power standard, which was correct when there were no fleets outside European waters to consider, has ceased to be applicable to present conditions. Fleets have now developed in different countries remote from Europe which give a different value to the two-Power standard. Though that standard is held to apply still to *any* two European Powers, a caveat is now entered to the effect that we need only take into consideration the joint strength of any two Powers which are likely to combine, and, of course, there is so much truth in this contention that two Powers thousands of miles apart could not combine against us with

2. CURRENT POLITICAL PROBLEMS

a total strength equal to that of two Powers comparatively near our shores.

It is strange that the English people seem slow to realise the fact that the greatness of nations depends upon their progress in armaments, that ruin hangs over a people whose wealth and luxury stand in inverse ratio to their military strength, and that though the power of Great Britain is now at its zenith, its inhabitants include a very large proportion of different foreign peoples, who exercise their share of political control, but are without that love of the country of their adoption, which engenders true patriotism.

“Time, and the ocean and some fostering star
In high cabal have made us what we are;”

but of these three factors the second only is, to any extent, under our control, and if we neglect it we have no assurance, as regards the other two, of their continued assistance.

National expenditure must come before that incurred on social reform, and there is more cause to apprehend oblivion of this vital truth in democracies than in monarchies, for the former seem specially prone to forget that nations are under a necessity to exist, which is superior to considerations of improved conditions of existence.

ESTIMATES, 1911-12.

The First Lord of the Admiralty, anticipating the criticism that his estimates were for 44, and Germany's for 22, millions,* pointed out that the estimates of the two countries could not be rightly compared, as in Germany sums which appeared in our Naval, were found in their Civil, Estimates, while we, unlike the Germans, have to pay heavily for maintaining the voluntary system, and keeping up a fleet in foreign waters. He held that in the spring of 1914 Great Britain would have, including the programme of 1911-12, not less than thirty battleships and cruisers of the most powerful modern type.

It is, however, so far as the writer can ascertain from the available information, the case that in the spring of 1914 we

* Official Debates, March 13, 1911.

shall have twenty-nine ships of the Dreadnought and super-Dreadnought type in European waters, while the Triple Alliance will have precisely the same number, and that the ratification of the Declaration of London would make the provision of more fast cruisers necessary, for it is clear from the Declaration, that it is the intention of foreign Powers to arm merchant vessels, and allow them to prey on the commerce of an enemy. In fact, the new cruiser programme is considered by all naval experts to be insufficient.

It is now said to be sufficient that we should maintain the Navy at twice the strength of that of the next strongest European Power, but there seems little chance indeed under existing circumstances that we shall be able to maintain our strength at double that of Germany, without taking into account the fleets of her two allies.

As to the additions to our annual estimates, our increase in wealth and population, even without German competition, would demand them ; and while our prosperity and possessions have increased enormously, the National Debt is less by 124 millions than that cheerfully borne half a century ago by a far smaller population.

Of the £44,392,500 provided by the Estimates for 1911-12, £15,063,000 is devoted to new construction, a vote higher by £3,000,000 than that allotted for the same purpose in the preceding year.

The figures in themselves are large, but in "1801 the British Navy was superior to the combined naval forces of all Europe."*

GREAT BRITAIN AND GERMANY.

Few thinking men can doubt that collision is sooner or later inevitable between Great Britain, which claims, and at present possesses, dominion of the seas, and the German Empire, the redundant population of which is shut out by our Navy from all the most desirable parts of the earth. The ultimate struggle is as inevitable as was that between Spain and Britain, and that between Germany and France. Who indeed

* Captain Mahan's "Influence of Sea Power on the French Revolution."

can believe that we are safe but one blind to the history of Prussia?—Prussia, which crushed Denmark, humiliated Austria, overthrew France, and is now preparing to fight England on the sea. As the veteran Frederic Harrison wrote :—

“How hollow is all talk about industrial reorganisation until we have secured our country against a catastrophe that would involve untold destitution and misery on the people in the mass—which would paralyse industry and raise food to famine prices, whilst closing our factories and our yards! How idle are fine words about Retrenchment, Peace, and Brotherhood, whilst we lie open to the risk of unutterable ruin, to a deadly fight for national existence, and to war in its most destructive and most cruel form!”

COMPARISON OF FLEETS.

A useful conspectus of the chief navies of the world is afforded by the Annual Parliamentary paper known as the

SUMMARY OF FIGURES GIVEN IN THE DILKE RETURN.

	Great Britain.	France.	Russia.	Germany.	Italy	Austria-Hungary.	United States.	Japan.
SHIPS BUILT.								
Battleships	53	17	7	82	9	11	29	15
Arm. C. D. Vessels.....	—	7	2	4	—	—	9	—
Armoured Cruisers	38	20	4	10	10	3	15	13
Protected Cruisers, I. ...	18	5	7	—	—	—	3	2
" " II. ...	36	5	2	24	2	3	16	11
" " III. ...	16	7	2	11	11	3	—	6
Unprotected Cruisers	3	—	—	8	—	3	3	6
Scouts	8	—	—	—	—	—	3	—
Torpedo Vessels	25	2	4	1	5	11	2	4
T.B. Destroyers	177	63	97	92	23	12	36	57
Torpedo Boats	110	191	44	80	82	73	28	57
Submarines	62	58	30	8	7	4	18	9
SHIPS BUILDING.								
Battleships	10	8	7	9	4	5	6	2
Arm'd. Cruisers	5	1	2	3	—	—	—	1
Protected Cruisers, II. ...	9	—	—	6	—	3	—	3
Unprotected Cruisers.....	3	—	—	—	—	—	—	—
Scouts	—	—	—	—	3	—	—	—
Submarine Depot Ship ...	1	—	—	—	—	—	—	—
T.B. Destroyers	28	21	1	17	10	6	10	1
Torpedo Boats	—	—	—	—	30	—	—	—
Submarines	12	23	—	?	18	2	17	4

Dilke Return. The last * issue of May, 1911, shows all the battleships and armoured cruisers not over twenty years of age on March 31st of that year, and in the case of other classes of ships, those which still retain their armaments and are not being sold for the scrap-heap. It is, however, incomplete as regards ships under construction, and does not exhibit uniformity of treatment in respect of all Powers.

It appears from the figures in the table on the preceding page that as regards the two-Power standard our position remains much what it previously was, viz., 53 battleships built for this country, and 61 for Germany and the United States combined. Meanwhile nothing is being done to reduce the difference in building which obtained last year. Nine battleships were being built for us against 12 for Germany and the United States, the corresponding figures for the present year being 10 and 15. With the addition of armoured cruisers, however, the statement is somewhat more satisfactory to Great Britain, though even in that case we are relatively two ships short as compared with the figures of last year, and should be four short, but for the Colonial armoured cruisers.

If both battleships and armoured cruisers are counted—and several of the latter are quite as effective in the fighting line as many of the former—the *Conqueror*, launched in May, 1911, is the twentieth ship of the Dreadnought class to take the water. The tale of these ships now stands :

SHIPS COMPLETED.—*Dreadnought* ; three *Bellerophons* ; three *St. Vincents* ; *Neptune* ; three *Invincibles* ; *Indefatigable*. Twelve ships completed.

SHIPS LAUNCHED.—*Colossus* and *Hercules* (now undergoing trials), *Orion* (launched August 20, 1910), *Conqueror* (launched May 1, 1911), *Monarch* (launched March 30, 1911), and *Thunderer* (launched February 1, 1911); *Lion* (launched August 6, 1910), *Princess Royal* (launched April 29, 1911). Eight ships launched.

SHIPS BUILDING.—*King George V.* and *Centurion* (laid down January 16, 1911), *Ajax* (laid down February 27, 1911), *Audacious* (laid down March 23, 1911), *Queen Mary* (laid down

* 142 of 1911.

March 6, 1911). *Australia* and *New Zealand*, building for the Dominions, laid down June, 1910. Seven ships on the stocks.

SHIPS PROJECTED.—Five large armoured ships to be built under the 1911–12 Estimates. Of these, two will be built in the Royal Dockyards and three by contract. None of the five will be laid down till towards the close of the financial year.

The *Conqueror* has three sisters: the *Orion*, belonging to the first four ships of the 1909 programme, and the *Monarch* and *Thunderer*, which, like herself, belong to the four “conditional ships” of that year. The fourth “conditional ship” is the *Princess Royal*, launched in April, 1911. The dimensions of these ships have not yet been officially published, but it is known that the displacement will be a little more than 22,500 tons, the length between perpendiculars 525 ft., the i.h.p. 27,000, and the speed 21 knots. The armament consists of five pairs of 13·5-in. guns, all placed on the centre line of the ship, together with twenty-four 4-in. guns. Of the heavy guns, four will fire directly ahead and four directly astern, while all ten will be available on either broadside. The torpedo equipment is of the 21-in. pattern, and the maximum thickness of the armour belt is 12 in.

The official date for the completion of these “conditional ships” is March 31, 1912, but it appears at present improbable that they will be finished by that date, and large allotments have to be made for them in 1912–13. The fact seems to be that the Government put off till the latest possible moment the placing of the orders for these ships. It was impossible to deny that they were necessary, but it was pleasing to the Little Navy group that their actual construction should be postponed. Following upon this delay came the strike in the shipbuilding trade in the autumn of 1910, and the net result is that the ships will not be ready for sea by the time indicated, unless the contractors make amends by their expedition for the delays of the administration.

From answers given by the First Lord of the Admiralty in the House of Commons in the Session of 1911,* it appears that

* First Lord of the Admiralty in answer to Mr. Chiozza Money, March 18, 1911.

the aggregate expenditure on new naval construction, including armaments, between 1908-9 and 1910-11 was, Great Britain, £34,531,000, and Germany, £29,365,000, and the increase in naval personnel in the year 1910-11 as compared with 1904-5, 510 for England and 19,245 for Germany; that the German Naval Law of 1900 was amended in 1906 to allow of an increase of six large cruisers, and in 1908 for four extra battleships, at a total extra cost of £9,000,000; that our own net naval expenditure was £347,000 less in 1910-11 than it was in 1904-5; and that the increase per cent. in expenditure on new naval construction between the years 1904-5 and 1910-11 was, United Kingdom 16 and Germany 166 per cent. In answer to Mr. Ashley, Mr. McKenna said that on March 31, 1911, Great Britain had under construction fourteen and Germany twelve armoured ships. Mr. McKenna further said that on March 31, 1904, Great Britain had thirty completed battleships of, and over, 10,000 tons, and not more than ten years of age, as against Germany's ten, and that the corresponding figures on March 31, 1911, were twenty-four and eighteen. There is food for thought in these official figures, and in Germany itself considerable doubt exists as to what really is the programme of cruiser construction for the years still covered by the Navy Law, or how that law should be "interpreted" in this behalf.*

If the latest return, of which the figures are given above, be compared with that of 1904, the last year of the pre-Dreadnought epoch, it will be seen that our superiority over Germany has been reduced under every head of the account.

On the last day of the official year 1903-4 in completed battleships we had fifty-five to thirty for Germany. Now the figures are fifty-three to thirty-two, but of ships under ten years of age in this class, in 1904 we had twenty-nine to Germany's ten, while in 1911 we have thirty-five to Germany's twenty-two.†

* Germany has 17, Great Britain 16, battleships in Home waters, and Great Britain 6 in her Atlantic fleet, which may be as far off as Gibraltar. Great Britain maintains 28 battleships in full commission in 1911 as against 33 in 1904. Mr. Churchill, in answer to Mr. Ashley, House of Commons, November 23, 1911.

† Dilke Returns, 136 (1904) and 142 (1911).

In ships under construction in 1904 we had ten to Germany's six, and in 1911 we have ten to nine in Germany. In armoured cruisers the comparison is twenty-eight to four in 1904, against thirty-eight to ten now, so that even here the proportion in our favour has been reduced. Moreover, we were, seven years ago, building thirteen armoured cruisers to Germany's two, the present proportion being five to three, and three of our nine Dreadnought cruisers, built and building, are to serve in the Pacific, so that only six remain for service in the North Sea, which has now become the waters of concentration.

As regards protected cruisers, we have fallen in the time selected for comparison from a superiority of nearly five to one to a superiority of two to one, but if an age limit of twelve years be exacted, the Germans in this class had actually double the number we possessed on March 31, 1911, and this though our merchant marine is over four times the size of that of Germany, and our battleships, being more numerous in the larger classes, require more cruisers as auxiliaries.

Lastly, in destroyers, in 1904 we had 124 to Germany's 37, while in the last return the figures are 176 to 92, a margin which might be sufficient, but for the fact, often advanced by Admiral Lord Charles Beresford in and out of the House of Commons, that quite a large proportion of our destroyers are obsolete and useless. If in this case also the ten-year limit be applied our superiority is very small.

COMPARISON OF DOCKS.

Germany undoubtedly is ahead of us in the number of docks she possesses capable of accommodating ships of the Dreadnought class, the importance of which, considerable enough in time of peace, is of extraordinary magnitude in case of war.

The German Navy, upon the authority of a bulletin of the German Navy League, which is apparently correct in its facts, possesses five complete dry docks capable of taking the largest vessels—two at Kiel and three at Wilhelmshaven. A floating dock of a capacity of 40,000 tons is under construction at the

Howaldt Works at Kiel. In addition to these Admiralty docks there are the privately owned "Kaiser Dock" at Bremerhaven, and the Blohm and Voss 35,000-ton floating dock at Hamburg. There are also under construction a second dock at Bremerhaven and a 35,000-ton floating dock at the new Vulcan works at Hamburg.

The British Navy possesses in home waters only one single war harbour, at Devonport, with adequate docking facilities for Dreadnoughts—though Devonport has three large docks. The only other Admiralty dock capable of taking a Dreadnought is at Portsmouth. True, there are seven private docks, but, with the single exception of Hebburn, on the East Coast, all lie in the industrial and navigation centres of the north, so that the Channel, and especially the East Coast, are comparatively denuded of docks. Two 32,000-ton floating docks are, however, building for the Government—one at Portsmouth and one at Sheerness—and four dry docks (Haulbowline, Portsmouth, and two at Rosyth on the East Coast), while a large dry dock is planned at the mouth of the Humber.

PERSONNEL.

Another by no means unimportant consideration is the personnel of the two fleets.

The increase in the five years 1904-5 to 1909-10 was upwards of 15,000 in Germany and the United States, and nearly 5,000 in France, while in Great Britain there was actually a decrease of nearly 2,500 men.

POLITICAL SEAMANSHIP.

The belief that the Government does not accept the judgment of the Sea Lords, but endeavours to whittle away their programme, is widespread, and the public will not readily forget the disclosures of Mr. Asquith* and Sir Edward Grey,† following so soon upon Lord Fisher's statement at the Mansion House, that they might sleep soundly in their beds at

* House of Commons, Navy Estimates, March 16, 1909, pp. 955-963.

† House of Commons, Naval Policy, Vote of Censure, March 29, 1909, pp. 53-70.

night. At any rate, there is a consensus of opinion that if there be such a person as a political Sea Lord, he should "be cast out like an abominable branch." As to the Government, the pronouncements of the Prime Minister, the Foreign Secretary, and the First Lord of the Admiralty have been suitable to the high and responsible positions they hold, but it would be affectation to ignore the fact that besides the Civil Lord's speech, to which reference is made below, disquieting and unjustifiable speeches are delivered without any repudiation on the part of their superiors by subordinate members of the administration.

The Civil Lord of the Admiralty, Mr. Lambert, in November, 1910, said that in our pre-Dreadnought fleet, carrying 152 12-in. guns against 40 11-in. guns of the German pre-Dreadnought fleet, we had an incomparably stronger factor than Germany, that "pre-Dreadnought ships were worthy to stand in the battle line," and that he wished to banish for ever the panicmonger and the politician. Among the first class he would abolish his own Prime Minister and Foreign Secretary, who honestly informed the country how desperately serious the situation was, and among the politicians he himself would have to go, for his statement as to the value of the pre-Dreadnought fleet in the fighting line facing a German Dreadnought fleet in the North Sea was a piece of pure politics, and calculated to mislead upon a vital issue!

No serious student disputes the fact that the pre-Dreadnought fleet is rapidly becoming, and even in a year or two will have become, obsolete.

The Germans, with the completion of the three Dreadnoughts of 1911, will have also completed the substitution of ships of that class for the older types of battleships throughout their high sea fleet, both squadrons of which—one at Wilhelmshaven and another at Kiel, both equally available for the North Sea and the Baltic—will consist entirely of Dreadnoughts. The widening of the canal at Kiel, to be completed next year, is another fact which must not be overlooked.

SUBORDINATE MINISTERS, LABOUR PARTY AND
LITTLE NAVY.

Again, the Under-Secretary for the Home Department, forsaking his last, said that, "Considering the ships in the two navies, any criticism should be on account of our excessive strength, rather than on account of our weakness;" and the Under-Secretary of State for the Colonies—now of War—declared at Liverpool that "if war come and the Dreadnoughts fight and we get the worst of it, there are other war vessels in the Navy to be taken into account. The man who fears for his country must have forgotten that we have again and again shown that we can fight even in a numerical inferiority." Such utterances as these, though wholly contrary to those of the party leaders in the Government and to the facts of the situation, are most mischievous when they pass without comment or rebuke. Again, Mr. Asquith's Government has paid the utmost deference to the Labour Party, and Mr. Keir Hardie, its erewhile leader, who, in that capacity at any rate, must be regarded as a responsible politician, has actually stated on the platform "that no sane German, no responsible authority in Germany dreamt for a moment of the possibility of invading Great Britain. The Labour Party's representatives, 'who were then on the point of going to Germany' meant to say to their comrades and co-workers, 'You and we have no quarrel; we belong to the same class and have the same interests; let us bind ourselves together not to fight each other, but to fight the common enemy, the capitalist system.'" At the same time the *Labour Leader* scoffed at the "Liberalism of the Asquiths, the Greys, the Haldanes, and McKennas," and wrote that "the Labour Party would, it hoped, strongly oppose the Naval Estimates." Here we have the Government, when proposing to do its duty by the country, opposed by its own subordinate ministers, and by supporters of that class, which it has been specially solicitous to please. And in neither case has a word of repudiation escaped the lips of a single one of the leaders. A perplexed public may well wonder which is the really authoritative utterance.

Mr. Barnes, at the time leader of the Labour Party, after a visit with an official delegation of his friends to Germany, said upon his return "that the idea of war between the two countries simply excited hilarity!" But within a few weeks of this sapient utterance the German National Labour leader, Herr Basserman, said in the Reichstag that "Germany must go on and follow England, or her Navy would be absolutely outclassed."

NAVY AND EMPLOYMENT.

It might have been expected that Labour Members of Parliament would remember that the million spent on a battleship gives active employment to a hundred industries and tens of thousands of workmen, and in point of fact in dockyard constituencies individually they heartily recognise that which collectively they strenuously deny.

The Germans do not hesitate to avail themselves of periods of economic depression for pressing on ship-building, in order to obtain better terms for Government, and in order to prevent the dismissal of hands owing to want of orders.

One of the leaders of the German Socialists, Herr Südekum, lately said in the Reichstag :—

"Anybody who really knew England knew that English anxiety, although it might be exaggerated, was perfectly genuine. The English point of view was quite intelligible. Germany's position and Germany's minute colonial possessions did not justify her large naval expenditure, from which it could only be inferred that German armaments were directed against England. England, consequently, endeavoured to secure herself as far as possible, and so Germany supplied the reactionaries in England with a pretext for the perpetual increase of the Navy. They would do well to note that hand in hand with the fear about Germany went Protection. If German armaments produced the return of a Conservative Government, the first result would be a protective tariff. That would reduce the German Protectionists of to-day to despair, because there was no doubt that Protection was tolerable only so long as there remained in the world at least one great Free Trade country. If all countries without exception went over to Protection on a high scale, then Protection would lose its meaning."

Nor was even M. Monis, the successor of the great Prime Minister of France, M. Briand, though the Socialists had

placed him in power, willing to be misunderstood on this all-important subject.

FRENCH GOVERNMENT AND LITTLE NAVY.

On taking office in March, 1911, in addressing the Chamber, he said :—

“Animated by the same sentiments which inspire the Governments of the other Powers, and, like them, seeing in a strong military establishment one of the essential guarantees of peace, we shall make our forces on land and sea the subject of our peculiar solicitude.”

The fact is, of course, that no Power which is to hold her own in Europe, and least of all England, can afford to neglect her Navy. Nor should the Socialists, altruists, and Radicals forget that the most powerful Navy in the world, in the hands of the most peace-loving nation in the world, is the greatest power for peace in the world, and to reduce the standard of that Navy below what the responsible advisers of the Government consider necessary for the defence of our country, would be a blow struck at the cause of peace, at the price of food, at the prosperity of our trade and commerce, if not at the very existence of Great Britain.

DOMINIONS.

Colonial statesmen did not shut their eyes to the facts. Mr. Borden, now Premier and lately leader of the Opposition in the Canadian Parliament, adversely criticised the defence proposals of Sir Wilfrid Laurier's Government, pointing out that the Admiralty experts at the Defence Conference had recommended the establishment of fleet units by the great Dominions. Australia, with a population 2,000,000 less than Canada, had accepted this recommendation, while New Zealand had undertaken to furnish one Dreadnought. The Canadian Government, however, only proposed to create a fleet consisting of four ships of the *Bristol* type, one of the *Boadicea* type, and six destroyers, to be divided between the Atlantic and Pacific coasts, at a cost to Canada of £2,338,000. There was no chance of the Canadian Navy

being effective within fifteen years. But the crisis would come within five—probably within three—years. Great Britain, through her ablest and wisest sons, had said within the past few months that the hour of peril was fast approaching. Mr. Borden said the Germans were supreme on land, and now they boldly challenged British supremacy on the ocean. He insisted that Germany's programme was expressly directed against Great Britain, citing in proof of his statement the following extract from the German Naval Bill of 1900: "Germany must possess a battle fleet so strong that a war with her would, even for the greatest naval Power, be accompanied with such dangers as would render that Power's position doubtful." Germany, the dominant military Power upon land beyond all challenge, would not be satisfied until she had successfully wrested the control of the seas from Great Britain. That meant either the dismemberment of the Empire or its relegation to a condition of inferiority which would lead to its early dissolution. Mr. Borden has now rejected Sir W. Laurier's scheme, and intends to make proposals "useful alike to Canada and the Empire," to be adopted after consulting the Canadian electorate.

INVASION.

The question whether an invasion of England is feasible has naturally much occupied naval and military experts. It is assumed on behalf of the supporters of the position of the present Government, that, to take things at their worst, a sufficient force is available in England to defeat 70,000 picked foreign troops at a time when our Regular Army is abroad and the Special Reserve has been largely depleted in order to fill its ranks for active service, and to stiffen the weak garrisons at Gibraltar, Malta, Egypt, Colombo, Singapore, and Hongkong. But it would take more than 150,000 Territorials to deal with an invading army of half that number, and more than remain out of the 270,000 Territorials we have would be required for garrison duty and for local defences.

The object of the German invaders must be to obtain for a limited period, two or three days, the local command of a

portion of the North Sea sufficient in area for the operations at the moment in hand, and it is by no means certain that Great Britain can count on having double the number of the enemy's fleet at such a point at the psychological moment, for there are allies available and within reach for Germany. Britain's naval forces may well be scattered and unavailable without fatal delay; and in no long time her numerical superiority over a Triple Alliance fleet in first-class battleships will have disappeared. This is obvious, for a two-keels-to-one policy cannot be maintained if our relative expenditure on construction and armament and that of the Germans continues at the rate of £34,500,000 to £29,500,000, which obtained between 1908-9 and 1910-11.

Why, too, should it be assumed that while we shall be well posted as to the enemy's plans he will be without information regarding our own positions and intentions? Why ignore the fact that the Germans have fast steamers of upwards of 16,000 tons in which to transport troops, and could make a short crossing while the battle fleets were engaged? Why rely on our coast submarines even in water in which they cannot operate? Why ignore the probable action of the powerful German Navy, forget the surprise at Port Arthur, and pretend oblivion of the enormous advantage of the initiative which will rest with any invader, but never with us, however imperative for our preservation, with the British democracy in its present temper? Why should we conceal the fact that in our own naval manœuvres the weaker attacking fleets have often been successful?

GERMANY AND AUSTRIA.

How is it possible to forget that Germany's friends are bound to her by a firm alliance, ours by an *Entente* as sentimental in character as our own domestic policy, and why not acknowledge that the word supremacy hardly applies at present to our position at sea, and that we cannot maintain such supremacy as we have in the Pacific, Atlantic, and Mediterranean without leaving unprotected the British Isles, whose inhabitants are not, and refuse to be, trained to arms,

while vote-seeking politicians assure them that they are safe without making the sacrifices which other countries willingly suffer to ensure safety?

It is, moreover, clear that in this country the importance of the Austrian alliance to Germany is hardly appreciated. At the close of 1912 Austria will have seven of the most powerful battleships in the world, and six of older pattern, which would dominate the coast of Italy, and British possessions in Cyprus, Malta, Egypt, and the Suez Canal, if ever we were again forced to abandon the Mediterranean. Already the Austrian Mediterranean fleet is not much inferior to our own in the inland sea, which consists of six battleships, four armoured cruisers, and eleven destroyers of antiquated type. The thirteen Austrian ships with their flotillas of destroyers and torpedo-boats will practically form a squadron of the German armada, and would have nothing to fear from France so long as the German is superior to the French army. The Italian coast-line would be at the mercy of the German-Austrian combination, and the dual monarchy could make her own terms in the Near East. The Austrians are good seamen, their naval personnel can be extended to 30,000 men, and their ships and their organisation are all in first-rate order.

The theory that Britain cannot be invaded, though comfortable and convenient to ministers who depend on Irish, Socialist, and Labour votes, found no favour with our greatest statesmen. After the surrender of Cornwallis, Pitt said on February 17, 1783, "I am sorry to say that we discovered the fabric of our naval superiority to be false and baseless"; and in 1786 he said, "The opinion of the sea officers was that in certain circumstances it was possible for the enemy to land." On July 22, 1803, after a succession of great naval victories, he declared that "it is admitted that our Navy, great and powerful as it is, cannot be relied on with absolute certainty to prevent an invasion." This was when our Navy was equal to the combined navies of all Europe! * Again, the

* Captain Mahan's "Influence of Sea Power on the French Revolution."

late Lord Goschen declared in the House of Lords in July, 1905, that he "declined altogether to give a guarantee against invasion because there was so much of the element of the unforeseen, which could not be left out of consideration in a matter of this supreme importance"; and on November 23, 1908, Lord Crewe said in the House of Lords that "it was impossible to announce an actual guarantee against the landing on these shores of an invading force."

We in England, who are lulled into supine ease by assertions that invasion is impossible, might learn something from General Lee's calculation that Japan could land 300,000 men on the Californian coast in twenty-two days.

Pitt, who would have been dumfounded could he have seen a situation like the present in England, considered the duty which devolved upon a British Minister to be "to array the loyal, sober-minded, and the good in defence of the venerable constitution of the British monarchy"; * but though it is well known that this country needs 600,000 Territorials for a second line, unless the Navy, and indeed the Regular Army, are to be diverted in war-time from their legitimate duties, there is apparently no prospect of a force of these dimensions being raised.

It has been estimated by Dr. Riesser that the cost of a land war to Germany for three million men under arms would be £900,000 a day, and as the greatest financial Power besides ourselves, France, is our own friend, if not ally, a short, sharp and decisive struggle is necessary for the Germans, to whom a long dragging war is impracticable, because the nation's existence depends on the uninterrupted activities of commerce and industry.†

England is not only Germany's greatest rival, but she alone, if not crushed in the beginning by a surprise at sea, has the power to force her enemy to fight the long-drawn war so dreaded by German strategists.

The power of England to bring a contest to an end would be immensely impaired by the proposed renunciation of the

* Epitaph in Guildhall.

† "Der Kreis in der Gegenwart," *Deutsche Rundschau*, January, 1909.

right of capture at sea. Captain Mahan has pointed out in a recent letter to *The Times* that the system, which it is now proposed to abandon, enables a belligerent nation to bring almost decisive pressure to bear on an enemy by completely disorganising the conditions of business.

"To say," he writes, "that the greatness and intricacy of modern industrial and commercial development will cause the pressure hereafter to be greater is reasonably probable, and may safely be prophesied.

"To bring the pressure of war to bear upon the whole population, and not merely upon the armies in the field, is the very spirit of modern warfare. It may safely be asserted to be least inhuman of all the inevitable inhumanities of war, because the danger of it deters from war; and because, while hostilities are proceeding, it tends most to make the war unpopular and so to hasten peace.

"As a matter of European politics, the right of maritime capture is the principal, if not the only, strong weapon of offence possessed by Great Britain against the nations in arms of the Continent."

It was perhaps to be expected in these circumstances that continual pressure would be, as it is, exercised by extreme Radicals and Socialists to induce England to consent to, indeed to lead the movement for, the abolition of this right, to her own exceeding great loss and detriment.

RUSSIA AND JAPAN.

Mr. Gladstone in 1878 said that the strength of England would not be found in alliances with great military Powers, but in the efficiency and supremacy of her Navy—"a Navy as powerful as the navies of all Europe."

While it must be admitted that this ideal is no longer capable of realisation, the great lesson of the Russo-Japanese war is the appalling risk to an island Power of an inadequate margin in battleships. In three days the Japanese lost a third of their battleship strength owing to the operation of the enemy's mines, and had the Russians possessed a good naval commander the issue of the war might have been different in the end. Twice during this fateful struggle the issue of battle hung upon a lucky shot, and the loss to Japan from the depredations of the Vladivostock cruisers was greater than would have been the cost of the additional battleships required

to sink or put them out of action early in the war. But Russia, which did not suffer the loss of a square mile of her territory, far less the dismemberment of her empire, as the result of defeat, has now adopted, out of her comparative poverty, a battleship building programme of £30,000,000, providing for eight Dreadnoughts in addition to those to be launched in 1911, for the necessary complement of submarines and destroyers, for two dockyards, and a naval base.

FINANCE AND ARBITRATION.

Continental Powers do not hamper themselves with pedantic regulations in respect of the financing of their measures of defence. Neither in Russia nor in Germany have operations to be terminated or postponed, surpluses surrendered, and deficits avoided, irrespective of the business aspect of the transaction, to fit in with the machinery of Appropriation Bills. In competing with countries which build ships out of loans or their equivalent, our Admiralty should be freed from checks which interfere with the uninterrupted prosecution of a ship-building programme.

The Admiralty expenditure should, of course, be subjected to a close and continuous audit, but the Empire's safety is a higher consideration than an occasional deficit for an individual year. Our practice as regards contracts also requires revision. A contractor will not incur a large outlay in laying down plant unless he has a reasonable belief that it will be employed, and in certain cases the only orders which can be given for its use and can ensure a return of the capital expended must come from Government, which alone requires heavy armour plates, large forgings for guns, and complicated machinery for gun-mountings.

Our private ship-building firms complain, perhaps with some reason, that their position is not sufficiently considered by Government, with which they are in effect in partnership in respect of carrying out naval programmes of construction.

The arbitration agreement negotiated * with the United States cannot affect the position of our Navy, as it is not against

* Not yet passed by American Senate, or ratified by British Parliament.

America we are building ships, and no European Power except France has so far treated the arbitration question with other than a polite and non-committal interest.

America, with a quarter of the globe to herself, is in a wholly different position from nations crowded together in Europe with manifold conflicting interests therein, and in other parts of the world. Not, however, that she has been blind to the necessity for armaments.

Indeed, when she began the construction of a battleship of 21,000 tons called the *Pacificator*, President Roosevelt said: "Remember that the prime use of the United States Navy is to avert war. The Navy is the cheapest insurance Uncle Sam has. It is the surest guarantee against our ever being drawn into war; and a guarantee effective just in proportion as the navy is efficient."

Every word of this speech is of equal, nay, of greater, application to our own case.

Arbitration treaties are well enough as sacrifices to the divinity of Peace, which we all worship; but how could Germany be expected to agree to a halt in ship-building which would perpetuate a status in which we hold the first place at sea, with all the vast actualities and potentialities implied in such a position?

Moreover, as regards the volume of the Naval Estimates and the resulting financial pressure, in the first place, the whole amount is spent on British insurance in Great Britain, to the advantage of her industries, and to the employment of British labour, and the figure of even 50 millions, as the insurance on our mercantile marine, amounts to a charge of no more than 2 per cent. as against 11·5 per cent. in Germany, and 25 per cent. in America for the same purpose. The British Government has, moreover, to face the greater cost of voluntary service, pensions, and other non-effective charges, the larger number of ships in commission, and the longer time spent in sea training. The able military correspondent of *The Times* wrote:— *

* *The Times*, January 10, 1911.

"Estimates of 60 millions for the Navy will give you security ; so will your present Navy Estimates, *plus* national service, which will cost you an additional eight millions or so. But, if you will neither pay nor play, the great business of the British Empire will soon go into liquidation. Where in history can you find mention of a people which refused personal service and effort and were successful in the end against a rival prodigal of both ? "

In the days of Cromwell, by the unanimous verdict of history one of the greatest rulers England ever had, the Navy Estimates amounted to half, whereas at present they are no more than a quarter, of the annual revenue. But half was cheerfully paid, after a Dutch Admiral had sailed up the Thames, with a besom at his masthead !

NAVY AND SOCIAL REFORM.

It is the constant effort of advanced Radical and Socialist Members of Parliament to prove that any kind of social reconstruction that would improve the condition of the working classes is incompatible with perpetual increase of naval expenditure, and they would not allow for any normal and progressive enhancement of the cost of insurance proportionate to the increase in the amount of national assets to be protected. But we are right in the path of a Power which is at once the greatest military country and one of the greatest naval Powers on the Continent, possessed of allies bound to it by the close bonds of sympathy and interest, and of the even greater asset of pure and self-denying patriotism. It is not now a question of defending an outpost of the Empire near the Oxus or the Indus. The Germans will say, as the Mahrattas did of the decaying Mogul Empire, "Strike at the heart and the withered limbs will fall," and already they see in no distant future the once all-powerful mistress of the seas, wearing out an opulent dotage by the sufferance of a younger, stronger, and more patriotic power.

DECLARATION OF LONDON.

And, indeed, there are not a few who saw in our acquiescence in the Declaration of London an unwelcome sign of degeneracy. This instrument has given rise to a considerable amount of

not unnatural alarm and distrust in the minds of the public and those best acquainted with the problems involved, and it would be strange if agreements of this character entered into between Great Britain, the greatest naval Power, and other Powers were not designed to place impediments in the way of the use by the former of that arm in which she is most powerful.

Indeed, it must be admitted that the case against the Declaration is very strong.* It is disapproved by almost all naval officers, though those on active service are necessarily muzzled, and the Chambers of Commerce and Shipping have lifted an almost unanimous voice of condemnation, in which it is of less importance that some of our greatest jurists concur. The vote in favour of ratification given at the Imperial Conference can hardly be regarded as conclusive, or as passed in view of the arguments on the other side, for only the Government case was before the representatives of the Dominions, which, of course, had no share in the Hague Convention, when many petty little States recorded a vote, nor will they have any judge on the Tribunal, to which thirty-six minor States—six of which, as Mr. Bowles has pointed out, have defaulted—will each send a member and may vote, to the prejudice of the great trade and Imperial defence of our Dominions.

The Commonwealth representatives proposed a resolution regretting that the Dominions had not been consulted, condemning the inclusion in Article 24 of foodstuffs, and the adoption of the provision permitting the destruction of neutral vessels. Sir E. Grey is believed, however, to have convinced the Conference that the Declaration must be accepted or rejected as a whole, that no amendments were possible, and that acceptance was practically obligatory. The only concession he could make was that for the word "enemy," "enemy government" should be substituted.

It was formerly the practice of the strongest naval Powers to object to the sinking of neutral prizes, and such, therefore, could not, unless the Declaration came into force, become

* The rejection of the Naval Prize Bill by the House of Lords on Dec. 12, 1911, renders ratification of the Declaration doubtful.

a regular incident of naval warfare, for such Powers brought almost irresistible pressure to bear against those perpetrating these acts of destruction.

Sir Edward Grey, while speaking on the Declaration, rather gave his case away when he said, "If we refused at this stage to agree to its ratification it would be a great blow to the confidence of other Powers in us, as a Power prepared to forward arbitration. As a power anxious to co-operate with the United States in reference to arbitration, it was essential that we should go through with the Declaration of London."

It would be difficult to give a less cogent reason, even if it could, as it cannot, be accepted that the United States make ratification a condition of arbitration. An English Foreign Minister, speaking on a subject closely connected with our naval power and position, might well remember that "*la raison du plus fort est toujours la meilleur.*"

The agitation against the Declaration derives considerable support from the attitude of Germany in respect of this instrument. In a leading article in the *Hamburger Nachrichten** the following paragraphs find place :—

"A temporary disturbance in the working of the oversea transport of food would bring about the severest crisis in Great Britain, and not only in the direction of raising the price of food commodities, but also a financial overthrow and collapse.

"England carried out her last important sea battle a hundred years ago, and since that time she has become more vulnerable, and it is this which accounts for the nervousness of the entire English people. The position of Germany, which is yearly becoming less vulnerable, is more and more apparent to Englishmen.

"The formation of the North Sea is one naturally favouring a blockade of German sea traffic, and even for what the English call 'the high-sea blockade,' by the closing up of the arm of the sea between Scotland and Norway. This is what they call 'sealing the North Sea.'

"But by the Declaration of London such a blockade may not be carried out, as by Article I. it is provided that a blockade must not extend beyond the ports and coasts belonging to or occupied by the enemy; and Article 18 says the blockading forces must not bar access to neutral ports or coasts. In Germany we have received these decisions with exceptional pleasure."

* June 18, 1911.

The feeling against the Declaration entertained in naval and commercial circles is shared by the insurance interest and by the City of London, wherein the underwriters of Lloyds decided on July 24, 1911, to abolish all free war risks, partly because of the threatening situation in Morocco, and partly because of the unsatisfactory position of neutrals revealed by the Declaration of London, and aggravated by its confused and conflicting causes.

The most objectionable provisions of the Declaration have been concisely abstracted by Mr. Atherley-Jones in the following summary:—

1. The substitution of an International Court of Appeal for diplomatic action will upon a number of vital questions of Prize Law preclude neutrals from attempting to arrest a continuing mischief, whereby irreparable injury may be inflicted upon a belligerent and great loss upon the carrying trade of neutrals.

2. The destruction of neutral prizes, until the Russo-Japanese War practically unknown to the history of naval warfare, never sanctioned by the Prize Courts of this country, and generally condemned as contrary to the elementary principles of humanity, has now, by the Declaration, received the formal sanction of Great Britain. It is a provision which can be of little service to a country which possesses ports in almost every sea, but otherwise to a nation like Germany or Russia not similarly circumstanced.

3. The Declaration sanctions, under illusory provisos, the conversion of merchantmen into men-of-war upon the high seas.

4. It abolishes the practice of pre-emption.

5. The security of articles *ancipitis usus*, including foodstuffs when in transit in neutral bottoms to ports other than those of naval and military equipment, is imperilled by the substitution of vague rules for the well-established customary law, and the fate of the neutral ship carrying corn to Hull or Liverpool is left to the discrimination of the naval commander, perhaps corrected when the war is over by the International Court of Appeal, whether or not these ports are "bases of supply" to the armed forces of the enemy; or again to his discrimination whether or not he may treat it as a "fraud" and so seize her when she is on her way to a neutral port within easy reach of a belligerent port to which from the neutral port she may proceed under convoy.

Before leaving the Navy it is needful to repeat that we are dangerously deficient in proper organisation for war, of which

proof was afforded in a recent crisis. It is believed, however, that Mr. Winston Churchill, who has recently become First Lord, proposes to create a war staff at an early date.* May he remember, "qui mare teneat, eum necesse rerum potiri."

ARGUMENTS FOR AND AGAINST A REDUCED NAVY.

FOR.

1. The international conscience increasingly revolts from war, and the star of arbitration is ever in the ascendant.

2. The nations of the world more and more realise that their revenues should be spent on social reform, and not on armaments.

3. Our Colonies and Dependencies are preparing to defend themselves, and in an increasing degree are becoming able to provide this service.

4. It would be better to lose our Colonies than to postpone or abandon the beneficent projects of social reform, which are the chief end of civilised government in the twentieth century.

5. Previous programmes of construction and expenditure, which are eclipsed by the latest vote, proved sufficient for the maintenance of British peace and the British Empire. There has already been an increase of nearly thirteen millions in six years, and of nineteen millions in the preceding ten years.†

6. It is clear that there is a desire on the part of the public that Parliament should be required to spend less on naval and military organisation.

7. Our Navy is, according to the Dilke Return, 542,000 tons in excess of the tonnage of the combined navies of the United States and Germany.

8. The Territorials are an efficient home defence army. No reduction has been, but such should be, effected on that account.

9. Increasing difficulty is experienced in raising money for great armaments.

10. As our Dreadnought and super-Dreadnought tonnage has increased, our pre-Dreadnought tonnage should have been decreased, and less ships of this class kept in commission, whereby a saving in personnel would have been, and such should now be, effected.

11. Our superiority in heavy guns, in men, and in tonnage is above the two-Power standard. There is little or no reason to fear a combination of the United States with Germany or with France against Great Britain. Germany, France, and the United States are the three strongest Powers to be taken into consideration in fixing the two-Power standard. Our relations with them, and theirs with one another, are the factors to be

* This has been done.

† Parliamentary Debates, March 18, 1911, p. 1894.

considered in this connection. We have no actual or potential difference with those Powers, as we had with France and Russia in the days of their alliance, and before the creation of the Triple Entente.

12. The Labour Party, which in every country is increasing in strength and influence, favours reduction and arbitration.

13. It is we, and not Germany, who set the pace in building. We should reduce, whether other Powers follow or not, and set a good example.

14. "Warlike preparations familiarise ideas which, when familiar, lose their horror, and light an inward flame of excitement, of which, when it is habitually fed, we lose the consciousness."*

15. The possession of great armaments directly leads to the making of occasions for their use.

AGAINST.

1. The British Navy is far weaker than it was a century ago relatively to the growth and development of the population, wealth and territory of the Empire, and to the increase in naval power of other nations. In 1801 the total trade (exports and imports) of the Empire was valued at 79 millions, and in 1908 at 2,022 millions, and the total British tonnage increased between 1800 and 1908 from 1,856,000 to 13,183,000.†

2. The introduction of machinery has neutralised the previously existing advantage the British derived from their superior seamanship. Other nations are equally proficient in working machinery.

3. The blockading of an enemy's fleet is far more difficult now than the blockading ships have to be more frequently relieved, owing to the enormous consumption of coal by modern battleships, and owing to the universal use of steam, which makes escape from the blockade much easier than in former days.

4. Our naval reserve of 55,828 men is insufficient, and of these only 30,000 are fully trained men, as against 100,000 of the German naval reserve, all of whom have served in the active Navy.‡

5. The difficulty of providing for a naval reserve is immensely increased by the great proportion of Asiatics and foreigners in the mercantile marine, from which the naval reserve is chiefly recruited.

6. The total annual value of the sea-borne commerce of France, Russia, Germany, and Italy compares with the value of British commerce as 95 compares with 100. Their mercantile tonnage is as 44 to 100, and yet their naval expenditure per ton of shipping is three times as great as that of Great Britain.§

7. In the case of Great Britain, her trade and commerce include her food supply. No less than 73 per cent. of our imported wheat and flour

* Lord Morley's "Life of Gladstone."

† "The Briton's First Duty," p. 44.

‡ *Ibid.*, p. 41.

§ *Ibid.*, p. 45.

comes from foreign countries, and only 27 per cent. from British Dominions.

8. The British Navy, unlike the navies of other Powers, is hampered by the absence of a sufficient home defence army to set it free for the performance of its proper duties. The British Navy, besides protecting our foreign possessions, our commerce, and food supply, has to protect our coaling stations all over the world.

9. During the war in South Africa nothing but the superior strength of the British Navy saved us from the intervention of foreign Powers.

10. A comparison of the total British warship tonnage with that of other Powers is wholly illusory, with the exception of so much as relates to capital ships.

11. Our present superiority is chiefly in pre-Dreadnoughts, which have become, or are rapidly becoming, obsolete.

12. Any reduction in the number of trained bluejackets would be most unfortunate, as each one is the product of long training, and is very hard to replace. Probably no individual Briton is of greater value to the State than the efficient bluejacket.

13. Our reductions in naval programmes between 1906 and 1908 were met by an acceleration on the part of Germany, resulting in the serious disturbance of our relative positions and in subsequent inevitable increases in construction. The Germans in that period doubled the estimates of the Fleet Law.*

14. Our offer to make proportionate reductions in concert with other Powers met with no support at the Hague Conference.

15. The British Navy is, and always has been, an instrument of peace, and not of war.

ARGUMENTS FOR AND AGAINST THE DECLARATION OF LONDON.

FOR.

1. This subject has been more fully debated than any other upon which an international agreement has been reached.

2. The Dominion Prime Ministers have given it a general approval. It was impossible to refer to a Royal Commission, or to any such body, for opinion external interests such as are treated by the Declaration.

3. The experience of the Russo-Japanese War showed the necessity for an International Prize Court, in view of the present uncertainty respecting the treatment of neutral vessels, and the difficulty of obtaining redress

* Mr. McKenna, M.P., Parliamentary Debates, March 13, 1911, p. 1924

Under existing circumstances, dissatisfied neutrals can only appeal to a Prize Court of the offending belligerent, after the war is over.

4. The Declaration does not alter geographical facts or affect the position of this country in respect of its dependence upon foreign markets, for the food provisions do not impair the right of blockade.

5. Only a small proportion of our food supplies come in neutral ships. The bulk arrives in British vessels, for the protection of which we must depend as heretofore on the strength of the Navy, as a substitute for which the Declaration is in no way put forward by its supporters.

6. The risk of seizure of food in neutral ships is diminished by the Declaration, and if we refuse to ratify it, there is a risk that food will be declared absolute contraband of war, whereas, at present, it is only on the conditional list.

7. Even if food were on the free list, Great Britain would always be bound to rely on her own ships for bringing it to these islands.

8. The free list secured by this instrument contains many articles necessary for our industries and manufactures, which, under its provisions, cannot be declared contraband in neutral ships.

9. As regards the sinking of neutral prizes, only a vessel of which more than half the cargo is contraband can be sunk.

10. As to the conversion of merchantmen into war vessels, the risk under the Declaration is no greater than before, and few merchant vessels possess sufficient speed to be worth converting.

11. If the Declaration is not ratified, and Great Britain refuses to submit to restrictions for the benefit of neutrals, she will have to rely on more Dreadnoughts, and there will be an end to any policy of limitation of armaments and arbitration.

AGAINST.

1. Great Britain stands to lose more than any other country by any limitation of naval action.

2. The Declaration cannot put an end to competition in armaments, but can and will prejudice Britain in such competition.

3. It is equally prejudicial to naval and to mercantile interests.

4. It gravely threatens the food supply of the kingdom in time of war.*

5. Even a weaker naval Power, without maintaining an effective blockade of this country, might so affect the supply of foodstuffs from abroad as to paralyse its action in a great emergency.

6. Such emergency might arise owing to the provisions of the Declaration regarding the treatment of food as contraband of war, the conversion of

* Mr. Balfour, London Chamber of Commerce, June 27, 1911.

merchantmen into cruisers upon the high seas, and the capture and sinking of neutrals.

7. Provisions for appeal against infractions of the Declaration are useless. Converted merchantmen would properly and naturally run all risks to strike an effective blow in a great national emergency.

8. Granted for the sake of argument that the free list of the Declaration is advantageous in respect of material for manufactures, of what advantage is the provision of such material to a starving people?

9. The contention that other countries do not possess many merchantmen sufficiently speedy to justify conversion is notoriously untenable. Germany possesses many such ships.

10. Great Britain, as an island Power, can only bring pressure to bear upon belligerents by blockading the enemy, and by the seizure of vessels with their cargoes. The Declaration therefore obviously and conspicuously hampers a blockading Power.

11. Great Britain has properly and necessarily refused to agree that private property shall not be liable to capture, on the ground that she can only put pressure on a belligerent by attacking the great lines of communication across the seas. It follows that Great Britain should refuse to ratify the Declaration, which is opposed to the attitude rightly taken up in respect of the right of capture of private property.

12. Any converted merchantman after ratification of the Declaration, could, when we are next at war, take any neutral vessel carrying food to a port in Great Britain, which the commander of the converted merchantman chose to consider to be a base of supplies, and sink it; and under the Declaration almost any port might be so described.

13. In short, while international public opinion has hitherto condemned the sinking of neutrals, or the destruction of foodstuffs as contraband, under the Declaration such action merely comes up for judgment before an international tribunal after the war is over. The Declaration is therefore, from the point of view of international law, a retrograde step.

NAVY BIBLIOGRAPHY.

The Colonies and Imperial Defence. By P. A. Silburn.

Our Navy for a Thousand Years. By Captain S. Eardley Wilmot.

The Briton's First Duty. By G. F. Shee.

Influence of Sea Power on the French Revolution. By Captain Mahan.

The Ocean Empire, its Dangers and Defence. By Gerard Fiennes.

The Naval Annual. By Hon. T. A. Brassey (Viscount Hythe).

CHAPTER II

THE ARMY

THE everlasting problem of the British Army yet remains to be solved. If Great Britain is to fight Continental Powers on the Continent, she must have an army on the same scale and of the same character as Continental forces, or at any rate large enough to help in upholding the balance of power in Europe, with a strong potential reserve. But Continental armies are primarily destined for the defence of their own countries, while the defence of this country devolves in the first instance upon its fleet. In our case the Army is primarily intended to hold India and to garrison various strategic points all over the world, and we must have a sufficient mobile force for this purpose, which we call the Expeditionary Force.

FUNCTION OF THE ARMY.

But we must also have enough troops to defeat such hostile expeditions as may elude the vigilance of the fleet, which it is assumed will be sufficient to command the seas. This is the position adopted by Lord Haldane, who has held the position of Secretary of State for War almost longer than any of his predecessors, and has been sadly hampered in his efforts to create an improved army by the continuous attacks of Socialists, Nationalists, Labour Members, and peace-at-any-price Radicals, who were, and are, a formidable proportion of the supporters of the Governments of the late Sir Henry Campbell-Bannerman and of Mr. Asquith.

Another school, so far, probably because the conditions are concealed and not explained, without much support in the country, includes in the requirements of Great Britain an army

sufficient to maintain the balance of power in, and to prevent any one Continental nation acquiring the hegemony of, Europe. Unless, for instance, England could send a force to help France against aggression on the part of Germany, before the Russian Army could come to her aid, the arms of England would not avail to save France, unless she was strong enough to face Germany alone and unaided. Nor would any but our regular forces at present be equal to this duty.

POSITION OF GERMANY.

A new feature in the situation, which will soon compel even this careless country to reconsider its position, is the startling naval development of other Continental Powers, and pre-eminently of the greatest of these, Germany, wherein there has also been an equal increase in the tonnage and carrying capacity of merchantmen. While Germany, on land and sea, at home and abroad, has advanced by leaps and bounds, the development of France has been arrested by socialistic and democratic developments and by a stationary population, and Russia, with which Empire also Great Britain has entered into friendly relations, has suffered serious reverses at the hands of Japan. It is too late to consider whether the prevention of the dominance of any particular Power in the concert of Europe is a part of the policy of this country. The assertion of this once cardinal principle would entail a challenge to Germany over her ship-building programme, which neither party in the State is prepared to give, and which it would be impossible to give, in the present state of public opinion in England, so far as such can be judged by the results of general elections.

The alliance of Germany is courted because, as Austria has lately learnt, she is ready to throw her sword into the scale, and it is notorious that the reverse is at present the case with England, a fact which renders her alliance of comparatively little value.

The Germans are self-sacrificing and patriotic, even the Socialists among them renouncing with scorn the inter-

nationalist and unpatriotic attitude with which Socialists in England have unfortunately made us familiar.

Without indulging in any altruistic dreams of the efficacy of arbitration, the Germans are content to deal with the world as it is, and they may well reflect that a nation which, amidst the clash of preparing arms, is dreaming of perpetual peace, is not likely to resist the Kaiser's armaments as she once resisted those of France and Spain.

True it is that the geographical position of Germany, and the insular conditions of England, which, moreover, lies across all the sea routes of German trade, enable the latter to hold her own in spite of her military inferiority so long as, and only so long as, she possesses a paramount Navy. But England might well remember the case of Athens, "the rapid loss of whose new conquests after 447 B.C. proved that she lacked a sufficient land army to permanently defend her extensive frontiers."*

TRIPLE ENTENTE.

However little comfort may be found in the attitude of the British democracy towards the question of defence, we may be permitted to feel a certain amount of what our neighbours call *schadenfreude* in considering the strategic position of Germany, situated between France and Russia. The French Army is in far better condition than the French fleet, and the Russians, unlike ourselves, are sparing no pains to profit by the lessons of their latest war. If the Triple Entente really meant business, like the Triple Alliance, Germany would be between the devil and the deep sea. The question is, Does the Triple Entente mean business? Can we and would we send a force to help France if attacked by Germany, or would Germany overwhelm her neighbour to the South before the Russians could bring their vast army from the North into the field? Does acquaintance with the temper of the British democracy inspire a definite and decided answer in the affirmative to these searching questions? So far as numbers go, we could immediately dispatch our expeditionary army of, according to

* "Encyclopædia Britannica," 11th edition, vol. ii. p. 842.

latest figures, 186,000, but probably not really in excess of 150,000, men to aid our close friend but not quite ally? But should we do it? If our allies feel we should, then we are still a great, if not the greatest, feature in maintaining the balance of power in Europe. Again, shall we increase our striking forces as our Empire increases in wealth and population? At present he would be a bold man who would answer in the affirmative.

EXPEDITIONARY FORCE.

At any rate it is of vital import that no interference should be allowed with the principles upon which the expeditionary force is recruited and maintained.

It is folly to suppose that any less time than two years' service with the colours will suffice for men who are to compete on even terms with Continental armies. While Germany takes two or three years—and we know that the British public will not yet agree to compulsory service for home defence—the practical problem is to increase and improve the Regular army we have, which was most unfortunately reduced in 1906-7 in deference to Socialist and Radical agitation.

The policy which inspired the creation of the Territorial Army postulates the assumption that our naval supremacy is maintained at least in home waters, and that the Territorials will be embodied and undergo training before the expeditionary force has left the country, which is hardly possible. The Territorials then assume that the Navy will destroy any hostile expedition of over 70,000 men, and that they can defeat invaders who number less than that figure, with the help of the expeditionary force.

The figure 70,000 is that of the Defence Committee, but it is difficult to avoid the conclusion that invasion in far larger numbers may be effected, unless everything happened to suit ourselves and nothing chanced to favour the enemy.

It is not clear how many Territorials are required for the defence of the country, but it is certain that the numbers Lord Haldane wanted and expected have not come forward,

and the confident assertion that the country cannot be invaded is not eminently calculated to inspire its manhood with a strong feeling of the necessity for coming forward in its defence. It is, too, very uncertain that the Territorial force can be maintained even at its present inadequate strength without some form of compulsion, while there appears to be an urgent necessity that the expeditionary force should be increased if the position of Great Britain as a world-Power is to be maintained. Compulsory cadet training should at once be introduced, and means taken to instruct the country as to its true position, and to awaken it to the fact that its military necessities are such as can never be satisfactorily met under existing conditions. In the opinion of Lord Roberts a million trained men are required to defend the country and provide a suitable reserve.

OUR LAND FRONTIERS.

At the present day the British Empire has a land frontier of many thousands of miles in Africa, Asia, and America, and British territory now marches with great Powers, not only with buffer States. The case has greatly altered since the wars of the eighteenth century were waged, and not by any means in our favour.

We are at present the greatest Continental Power in the world, marching from 18,000 to 20,000 miles in three continents with seven of the nine greatest military Powers of the day.

Nor has any nation in Europe yet reduced its army because it is on good terms with a contiguous country. Rather do all recognise the often proved fact, that international agreements are of an ephemeral and undependable character, often "*breves*," and sometimes also "*infaustos*," like the loves of the Roman people.

TURKISH ARMY.

A new and disturbing factor in present-day European politics is the reappearance of the Turkish Army upon the scene. It is believed that the Young Turks can place 300,000 well-armed

men in the field, and that they aim at being able to mobilise four or five times that number.

The raw material of the Turks was always amongst the best in the world, and their army may yet prove a very formidable factor in Eastern Europe and Western Asia, and perhaps also and above all in Western Europe, if they enter, as now appears probable, into close relations with Germany. The Russians, in the Trans-Caucasus, and the British, in Egypt, offer a vulnerable front to Turkey, and the senseless and sentimental attacks made upon her administration in Parliament, at a time when she had Arabian, Albanian, and Macedonian troubles on hand, cannot but exasperate and emphasise all possible points of difference, to some of which attention is drawn elsewhere in this work.

DEFENCE PROBLEM.

The defence problem is now far more difficult and complex both in Europe and India than it was in previous periods of our history. There is the steady march of Germany, already noticed, and our garrison in India, fixed after the Mutiny in order to secure the safety of our fellow-countrymen and women, has not been augmented, while the population of India has increased by 120 millions, and our Eastern possessions have enormously expanded in area.

The increase of armaments in modern nations cannot be regarded as proof of barbarism, for it coincides with their increase in comfort and wealth. On the other hand, weakness in France spelt loss of provinces, of milliards, and death and disaster, though never unpatritism and despair.

RUSSIA.

We should have learnt from the Russo-Japanese War of the indispensable necessity for co-operation between Army and Navy, of the necessity for patriotism by which limitless heroism is inspired, and of the power of Russia by means of a single line of railway to despatch and keep in the field an army of four hundred thousand men many thousands of miles from its base.

Although we are at present on friendly terms with Russia we must not forget that good relations may not always exist, we must remember that the lesson of Manchuria is not likely to be wasted on a Power which possesses railway communication from Orenburg to Tashkent, and from Krasnavodsk to the actual borders of Afghanistan, and on through the Central Asian Khanates. In fact, Russia has two lines of communication by railway, and two advanced feelers actually abutting on the Afghan frontier.

The Orenburg-Tashkent railway can carry twelve pairs of trains in twenty-four hours, and it is a strategic line of first-rate importance. Supplies can usually be obtained from Western Siberia, and the distance from the base at which operations would be carried on is about one-third of that between Russia proper and Manchuria. Herat, at any rate, could be carried without the slightest difficulty, and then Northern Afghanistan would be at the mercy of the invader.

INDIA.

Nevertheless, the reduction of the army in India is continually urged in Parliament owing to the existence of the *entente* with Russia; and while these pages are being written the Under-Secretary of State for War declares in the House of Commons "that the Government, while not contemplating any reduction of the British forces serving in India, are fully prepared to consider favourably the proposals that the Government of India may find it in their power to make for effecting such readjustments in the Native Indian units, with a view to economy, as could be carried out without loss of efficiency to the army in India as a whole."*

The discovery that there are regiments in the Indian Army so inefficient as to be useless, just at the moment when the finances of the country are adversely affected by the opium policy, and at a time when advanced English-educated Indians are clamouring for the Indian analogue of that many-headed creature social reform, is, to say the least, suspicious. Lord

* House of Commons, Parliamentary Debates, May 31, 1911, vol. 26, p. 1078.

Kitchener at any rate gave no hint to this effect when he left India.

LORD HALDANE'S POLICY.

Lord Haldane has succeeded in organising a home defence army on scientific lines, but has under the circumstances been unable to endow it with sufficient training, and if it is necessary to call up the Territorial army for six months' training after mobilisation has taken place, it must be admitted that their annual training and the resulting expense is to a great extent wasted.

Lord Haldane lays down certain basic principles for dealing with the problem. The first is that the command of the sea is the foundation of our home defence, and as the Navy must be sufficient to maintain such command, the Army must not be made so expensive as to starve it. The suggestion is that the country cannot stand the expense of a first-rate navy and a first-rate army.

To supplement the Navy an army is, however, needed, a striking force probably destined to act far from home, a highly trained, professional, and necessarily volunteer, army. We need, therefore, a second line for home defence to deal with any small forces which may slip through our naval defences, or to compel the enemy to send a force so big that it cannot escape the notice of our fleet. The old myth that even a dinghy-load of men could not be landed is now exploded, and for some reason or other it is assumed that 70,000 men would or might come, and that it would take them no less than three weeks to embark in no less than 150 vessels. It would seem as if Lord Haldane almost accepted these highly debatable premisses. He holds at any rate that the second line army must be a citizen force, and therefore created the Territorials, consisting of fourteen divisions and fourteen mounted brigades, of which five-sixths were enlisted in two years. He contests the truth of the statement that this army cannot take the field unless it has six months' embodied training following on mobilisation, and urges that they could earlier take the field when stiffened by some regular units and some special reservists. "Can it

be," he asks, "that we have not 315,000 young men sufficiently patriotic to come forward, though we have not the population required for recruiting an army on the Continental scale for home defence?" The National Service League would substitute 80,000 men less trained than his special reserve for that body, and in place of the Territorials 320,000 men compulsorily enlisted and trained for four months, for which 5,000 officers would be required in order to train 150,000 annual recruits.

THE TERRITORIAL ARMY.

The Territorial soldier enlists for four years and must be seventeen years old. In his first year he does forty drills of an hour each and from a week to a fortnight's camp. In the next three years he does ten drills of an hour, and the same amount of camp. The minimum number of rounds fired is twenty-three, an absurdly small number, the whole training is obviously altogether insufficient to make any sort of soldier, and about 100,000 either failed to qualify or did not fire at all. The Territorials are not, of course, recruited for service outside the United Kingdom, but they are liable to embodiment at home up to the age of thirty in cases of national emergency. It is proposed, however, to give these forces six months' training after the outbreak of war, and it is officially admitted that they are not fit for their functions till they have had such training. How, then, are they to repel raids, short, sharp, and unexpected, free the Regular army for operation abroad, and the Navy to seek out and destroy the enemy in his own waters? It is obvious they cannot, and that our army and navy would be paralysed by the necessity for protecting these islands, and that even with the highest bounties again given, and with reductions of standards, as in the past, the necessary forces could not be improvised. The age of recruitment, eighteen for Regular army, is, moreover, too low, lower than that of other nations, and the requirements and measurements fall short of a desirable standard, in spite of which our system is as much more costly, as it is more unsatisfactory, than that of compulsory service nations.

The whole assumption upon which the advocacy of the Territorials rests is that the fleet will be so powerful that even if half be absent, the remainder will avail to deal with the strongest fleet of the enemy, as well as to prevent the landing of a hostile force, but we well know that this is hardly the position at present, when Germany and her allies have seventeen and we have only twenty-five Dreadnoughts complete or in course of construction.

The general idea of the Territorial army was to amalgamate existing auxiliary levies into one homogeneous body in place of the separate forces, representing separate interests and serving on different terms, which previously existed, and important new features are the decentralisation of administration and organisation and the creation of the local County Associations.

The system postulates, as General French said, that it is the bounden duty of every able-bodied young man to take part in the defence of his country, and the National Service League would begin with Boy Scouts, Cadets, and Boys' Brigades, so that from the outset the youth of the country may appreciate their duties as patriotic citizens.

Among the causes which have militated against successful recruitment for the Territorial army are the absence of a paid and permanent recruiting staff, the conditions of service, which are, probably without sufficient reason, regarded as too strict, the refusal of separation allowances to married privates, and perhaps more than all the widely expressed opinion that the force is of little use and not a serious factor in our defences.

And in fact of 275,000 * enlisted not less than 100,000 are boys under 20—too often town-bred rather useless lads—an equal number has failed to qualify in musketry, and under 10,000 have volunteered for foreign service.

Even those who are most sanguine regarding the future of the Territorials must admit that they need more money and more time for training officers and men, and that if they do not get more time and money, that which is already expended upon them is only too likely to prove wasted.

* Now 268,453. Colonel Seely, House of Commons, August 9, 1911.

The causes of the deficiency in the numbers of the Territorials have been concisely summarised by the Military Correspondent of *The Times*, and are given below.*

COMPULSORY TRAINING.

In the minds of most practical men the conviction grows that safety lies only in compulsory military training for home defence, however small appears at present the chances of its adoption.

So virulent and unreasoning was the opposition in Parliament to elementary training in defence of the country, that the military and educational departments of the Government of Sir Henry Campbell-Bannerman had to climb down when the International Arbitration League "protested against the teaching of rifle-shooting in elementary schools, and sincerely hoped that a progressive Government did not intend to authorise or permit boys in State-aided schools to be instructed in the art of shooting, only calculated to brutalise youths, by developing in them the fighting instinct, and strengthening their combative nature !"

It is difficult to understand how any body, including, as it must, men who have had to make their way in the world, could have assented to a resolution, drawn in terms which would justly provoke the ridicule of any assembly of public-school boys.

* "On the subject of the causes of the present deficiency, and upon that of remedies, opinion is much divided. The main causes of the deficiency probably are : Inadequate public spirit due to our failure to educate youth in the duties and responsibilities of State citizenship ; want of convinced belief and of sustained interest in the Force on the part of the upper and upper middle classes, a majority of whom are adherents of the National Service League ; evasion of all duties relating to defence by the lower middle classes ; good trade and the busy life of 99 per cent. of the population leading to the employer difficulty, which is increasingly serious ; the counter-attraction of emigration on the one hand and of the varied amusements of the people on the other ; a growing sense among the rank and file that they are out of pocket by joining the Force ; dissatisfaction with headquarters in many cases ; and lastly the pauperising influence of modern legislation, which tends to discourage individual effort and to throw all burdens upon the State."—*The Times*, November 20, 1911.

Lord Haldane's scheme is a last effort to fulfil our requirements by voluntary recruiting, and unless it be considered to have proved a success we are already face to face with the necessity for some form of compulsion, for permanently to maintain the position that loyal and respectable citizens should take upon themselves the whole burden of the defence of the Empire, while idle and conscienceless loafers look on, will prove in the long run impossible.

Our most eminent and most experienced soldiers do not pretend to accept the soothing conclusions published broadcast on behalf of the anti-military party, and of those who have succumbed not to their arguments, but to their votes.

LORD ROBERTS'S OPINION.

In the opinion of Field-Marshal Lord Roberts* an invading force is as likely to be 150,000 as 70,000 strong, and in either case he does not see how the Territorials are to get sufficient training after the outbreak of war, if, as is certain to be the case under the present system, they do not get it before that event. He does not think that untrained men are of any use, and it is his deliberate opinion that while other nations are daily and steadily becoming stronger this country is daily and steadily losing ground. He believes that while the margin of safety at sea is rapidly disappearing, war when it comes will find us totally unprepared. In reply to this argument it is urged that the expense of a large army is prohibitive and that it would in any case be impossible to provide officers for such, as a sufficient number cannot be obtained for our present forces, that the voluntary system has now supplied an expeditionary force, a Special Reserve, and a Territorial army, comprising in all 580,000 men, that the voluntary system is not bankrupt, and that the country in any case will not stand compulsion. Lord Haldane fully accepts, as probably all others would in his place, the truth of the latter argument at any rate, and he has succeeded in rousing wide interest in national defence and military organisation, and in this alone, to say nothing of other respects, has rendered great service to

* House of Lords, April 4, 1911.

the nation. It is admitted by Lord Roberts, a somewhat hostile critic, that the Special Reserve, now enlisted for foreign service, is in that respect an improvement on the old militia; but there is a general consensus of opinion that the two chief shortcomings of the old system revealed by the Royal Commission have not been overcome. These are the want of a sound system of expansion and the insufficient training of the home army. Nor can it be regarded as other than a retrograde and unfortunate measure that the Regular army was reduced by Sir Henry Campbell-Bannerman's Government by about 18,000 men,* while the Territorials have not come within 50,000 of the number laid down as a minimum at the outset. Not that a full tale of Territorials would have atoned for the loss of so many of our best men, trained material, not easily replaced. No great nation could afford to reduce such valuable factors in the defence of the country, in order to swell the ranks of the unemployed, and gladden the heart of the paid agitator, whose hands are never idle, whose voice is never silent, whose employment never fails.

SIR IAN HAMILTON'S VIEWS.

Much interest has been excited by the contentions of General Sir Ian Hamilton, ex-Adjutant-General of the Forces, regarding the incompatibility of the scheme of the National Service League with the necessary recruitment for the expeditionary army.

General Hamilton argues that compulsory service is inspired by the spirit of conservatism, and voluntary service by the spirit of expansion and self-confidence, and that on this account the adventurous impulse of Imperialism and the appreciation of the romance of war—in fact, the true animus of a professional army—can only find legitimate expression in the voluntary service system. Compulsory service is, he says, less civilised than voluntary service, and statesmen under the former plan are constantly sacrificing important ambitions on the altar of home defence! This

* With the addition of the resulting reserves the figure rises to upwards of 80,000.

argument is extremely difficult to follow, and amounts to little more than an assertion, which the recent records of compulsory service nations, with Germany at their head, sufficiently refute.

General Hamilton thinks compulsory service the natural outcome of the specialisation of modern life. One class fights, and the other class pays. Hence, he says, the masses of the nation regard wars too lightly, and are encouraged to run risks in home defence, rather than abate by one square mile their Imperial pretensions! Again this argument appears singularly inconclusive and stands in need of some concrete illustration. Is there any proof anywhere that a compulsory citizen army regards war as a thing to be rashly and lightly undertaken? England is a voluntary service nation, and certainly its present attitude hardly points towards high Imperial pretensions, or to a disposition to regard war as a national activity to be encouraged. Rather is it regarded as a calamity to be avoided at all costs. Nor will the ordinary reader follow General Hamilton when he describes France and Germany as nations overshadowed by an imminent peril from which Great Britain is immune, or be at all ready to accept the position that a compulsory army becomes inefficient in proportion as the idea of conquest dominates the idea of defence. If, as he says, not German soldiers but Bismarck fought for Alsace-Lorraine, it must be remembered that the German Empire got Alsace-Lorraine, and that the German soldiers fought like heroes, and with no doubt of the justice of the national cause. And when he argues that a voluntary expeditionary force cannot be maintained alongside a compulsory home defence army, he forgets that France actually maintains alongside her conscript army a practically voluntary foreign service force of 56,000 men, of whom 28,000 are serving abroad.

General Hamilton denounces, disparages, and demolishes the National Service League scheme of compulsory service on a militia basis in the place of Territorials and Special Reserve, but under the League's scheme, at any rate an army of 400,000, with a reserve of 600,000 men, could be obtained.

General Hamilton thinks that members of this force would not re-enlist for the Regular army, that the classes which now fill the regular ranks would find sufficient work in the summer under the National Service League scheme, and that recruiting for the regular arms would dry up to such an extent as within two years to end in disaster. But the Territorials attract young men in regular employment and not the men out of work or in trouble, who can only enlist with advantage in the Regular army. Not that the latter when once enlisted do not learn to like the pleasant associations and good fellowship of military life, which they give up with sorrow, and to which, like the Surrey veterans, they are glad to return. So far is it from being true that compulsory training and service give men a distaste for military life.*

SCHEME OF NATIONAL SERVICE LEAGUE.

The fact is that the Army Reserve and Special Reserve would hardly suffice to keep our expeditionary force up to strength during a campaign even of brief duration, whereas a home army such as is contemplated by the National Service League would enable us to deplete the country of regulars and reserve, nevertheless leaving behind a proper provision for home defence. Nor is there any fear that such home defence army would not volunteer for service abroad, as the experience of the South African War, when 50,000 militiamen volunteered, is sufficient to prove. On the other hand, the plight of this country can be readily imagined if when our navy and expeditionary force are needed elsewhere, they are tied to our shores by the insufficiency of our home defence army, as may well prove the case under the existing system.

In answer to the argument that compulsory training would create a difficulty in recruiting for the Regular army, Mr. Fortescue's "County Lieutenancies and the Army" should be studied. He shows that between 1805 and 1813 out of 227,510 recruits, 99,755 joined voluntarily from the militia, which was then raised on a compulsory basis. It should also be remembered that upwards of 44 per cent. of the special

* Field-Marshal Lord Roberts at Guildford, May, 1911.

reservists volunteered for the Regular army in 1908-10, and that the old militia was notoriously the best recruiting-ground for the Regular army. Yet both these bodies undergo compulsory training. Again, the Japanese experienced no difficulty in sending to Manchuria, to fight like heroes, hundreds of thousands of soldiers raised by compulsion for home defence. The National Service League scheme, while it only proposes compulsory service for home defence, thereby liberates the voluntarily raised expeditionary force, and the Navy, for their duties of attack and offence. This is a great feature, and Great Britain does not now occupy such a position of superiority compared with other Powers in respect of wealth, or exert such political influence as to be able to subsidise allies in the day of trouble, as she did in the wars with Napoleon, nor do present conditions admit of such procedure. Everything makes for anti-militarism wherever democracy is in the ascendant.

At present the State feeds, doctors, and caters for children who are brought up not to think what they can do for the State, but what the State can do for them; not to consider how much better off they are than persons in similar positions in other countries, but how much more they can wring from the Government. And the average teacher in an ordinary school, if not quite, is, as a rule, something very near, a Socialist.

Education in Britain deals solely with rights and not with duties, and when discipline and self-denial disappear dry-rot and decay replace them. National service is necessary to develop and brace up national character, no less than for the defence of the fatherland.

Safety can only be found in the provision of an adequate home defence; for even if we could stand, as we cannot, the continuous strain of keeping up the two-Power naval standard against more populous nations, we could not man the number of ships we should in that case require.

The National Service League advocates the replacement of the Territorial army by a national militia, or citizen army, because the former is deficient in officers, men, guns, trans-

port, and artillery. It is difficult to see what object a retired veteran like Lord Roberts can have in misrepresenting a situation for which he himself cannot altogether be without responsibility, but it is easy to understand how difficult, indeed how impossible, it is for politicians to act with independence, and without regard for any considerations other than the public safety, when they are dependent upon the support of men abysmally ignorant of international conditions, who, in turn, depend upon voters, whose chief knowledge on these subjects, which they do not study for themselves, is derived from agitators, whose livelihood is the fruit of misrepresentation.

The main argument against the proposal for national service is that young men will be taken for the Citizen army at a time when they are wanted for the Regular army, and that their experience in the militia will not induce them to pass on to the regular forces. History, however, affords no confirmation of this position, and the class which joins the Regular, is not that which would fill the Citizen, army. Rather are they men who cannot get, or do not want, regular work, and for want of it are short of funds and food. Moreover, when in 1808 there was a scarcity of recruits, an Act for compulsory training was passed, after which the numbers who volunteered from the militia for service in the Regular army was greatly increased.

Universal military service must not be confounded with conscription. The former is a measure for peace, the latter a measure for war, and necessary as a last resort to fill the depleted ranks of an army.

Conscription enables the rich to purchase a substitute for personal service, and really only survives in Spain, where it is rudely assailed, and in Portugal, where it is moribund.

Some, like Sir Ian Hamilton, contend that volunteers fight better than the compulsorily recruited, and deny that the voluntary spirit which inspired this country is dying or dead. The answer to which is that upon the Continent larger and far more efficient armies are raised and maintained at a less cost upon the universal service system.

The views of the anti-compulsion school are based upon the fundamental fallacy that the military system must be shaped on political ideals, the fact being to the exact contrary, for if military systems are to be of any value whatever, they must be fashioned on steady principles to meet the end in view, and not to suit the fantastic and varied notions of changing Parliaments. It will be of little use to explain when we are defeated that we did the best we could consistently with proper respect for the views of the peace-at-any-price school and the Socialist contingent in the State.

And even General Hamilton completely gives away his own case when he actually falls back as a last resort on a third line raised under the sanction of latent compulsion, like the *Garde Nationale*, in order to legalise which he would introduce a Bill into Parliament.

The pith and substance of the whole matter is found in the Report of Lord Elgin's Commission to the effect that no military system will be satisfactory which does not contain powers of expansion outside the regular forces of the Crown,* and in the resolution of the Duke of Norfolk's Commission to the effect that the militia was unfit to take the field for the defence of the country, that the volunteers could with no prospect of success face the troops of Continental armies, and that an efficient home defence army can only be raised and maintained on the principle that it is the duty of every citizen of suitable age and sound physique to be trained to take part in the national defence.†

The same criticism, of course, would apply to the Territorials, though their organisation is admittedly an improvement on that of the militia.

INVASION.

All the schools allow that the Navy cannot complete its victories without the help of an army, and, if not all, most admit that we cannot defend the country with the certainty of success unless we can provide an army for use at home and

* Cd. 1789 of 1903.

† Cd. 2061 of 1904.

for warfare overseas. Those who hold that the invasion of this country is impossible forget the landing of General Humbert in 1798 in Co. Mayo, where he kept the field for seventeen days, with hardly any artillery, no cavalry, and no base, at a time when it was believed that 40,000 troops with guns could without difficulty have been landed in Ireland.

Members of this school also forget the failures of blockades in naval manœuvres. Can we watch 1,200 miles of German coast so closely that a small squadron could not break through? Commissions have proved that even the success of an enemy at sea would not necessarily starve these islands into submission, and that the enemy would be compelled to attempt an invasion. An intelligent enemy would therefore begin with that with which he must eventually end.

But even in the days when blockades were more effectual than they can be made in this epoch of mines and wireless telegraphy, Napoleon overran Europe, when he had not the command of the sea, and quite recently Japan sent her first army across to Korea before fighting the Russian fleet. Obviously, the United States might invade Canada, Russia, India, and Turkey, Egypt, without any interference from our navy. All these possessions might be taken from us in spite of our supremacy on the sea. It is madness to extend principles, good in respect of insular, but bad in respect of Continental, countries, alike to continent and island.

Why is the fact always forgotten that only one-quarter of our Empire, containing a fraction of our population, is insular in character, and that if we lose our Continental possessions we shall be ruined? In truth, supremacy at sea is relative and not absolute, and would not necessarily prevent the occurrence of a panic which might destroy the mercantile credit of this country, built, as it is, upon a wholly insufficient gold reserve.

Behind even a successful navy there must be an adequate army to complete and confirm its victories, and a powerful and efficient army and navy gain for the fortunate country which possesses them such objects as are otherwise affected by the agency of war and conquest.

ETHICS OF WAR AND PEACE.

Agitators and altruists forget that Ruskin, a thoroughgoing Radical, said :—

“ We talk of peace and learning, of peace and plenty, and of peace and civilisation : but I found that these were not the words which the Muse of History coupled together, that on her lips the words were peace and sensuality, peace and selfishness, peace and death. I found, in brief, that all great nations learnt their truth and strength of thought in war : that they were nourished in war and wasted by peace, taught by war and deceived by peace : trained by war and betrayed by peace, in a word, that they were born in war, and expired in peace.”

They are now engaged in persuading the proletariat that war is necessarily a crime, that peace should be secured at any price, that patriotism is a tinkling cymbal, and a foreign master as good as our Sovereign Lord the King.

The advocates of peace at any price rarely if ever abstain from citing in their own favour a well-known passage from Isaiah. But they carefully omit to read the chapter, or to quote its governing words. Nay rather, they wrest the text from its context, and never use it but to abuse. The prophet pictured a once powerful and favoured nation in the last stage of decay, decrepitude, and despair. “ It shall come to pass in the last days,” he said, when Jerusalem is ruined and Judah is fallen, “ that they shall beat their swords into plowshares, and their spears into pruning-hooks : nation shall not lift up sword against nation, neither shall they learn war any more.” * The neglect of a free people to arm for their defence was cited as the last proof of degradation, and there are nations in Europe among whom the same high standard is maintained to this day. It was only in the final day, at the last stage of national ruin, that this symptom appeared, which is regarded on the Peace and Ploughshare platforms as suitable for the greatest Empire in history at the height of its power and in the pride of its fullest growth.

War has been described as the irreconcilable conflict of two national consciences. As Joubert said : “ C'est la force

* Isaiah ii. 2, 4.

et le droit qui régent toutes choses dans le monde ; la force en attendant le droit." This philosophy justifies war in the present condition of the world and it leaves room for the hope that it may some day in the future be superseded, or at least diminished in its frequency, between nations of high and equal civilisation.

But under present conditions "Les pacifistes," says M. Ernest Denis with much force in his new book on the German Empire, "sont les complices des conquérants, parce qu'ils sollicitent leurs cupidités en énervant les résistances."

And Count Reventlow recently described England's proposals in respect of the limitation of armaments as an attempt to meddle in the affairs of another Power, with the result that she was making herself ridiculous.

Nor were politicians of a different class and character slow to speak.

The German national Labour leader stated in the Reichstag in March, 1911, that he was strongly opposed to any agreement to determine the state of the forces on either side, saying that Germany could as little conclude an agreement with Great Britain regarding naval construction as a man could agree with a boy regarding their rate of growth. Such an agreement would be an abdication of Germany's status as a great Power and a capitulation to Great Britain.

The Germans maintain, in the words of their Ambassador in London in 1910, that, in order to secure the freest possible expansion of the economic power of the nation they were compelled to move out into the wide world and across the sea, that their national aspirations threatened no one, that while their army had preserved peace for them for forty years, the safeguarding of steadily growing interests on the sea now called for a powerful fleet. "The ocean," Count Metternich significantly observed, "is free, and according to the conceptions of all civilised nations belongs to no single Power alone."

M. Clemenceau, late Prime Minister of Republican France, is an advanced Radical, but concluding his series of lectures at Buenos Aires with an address on "Democracy and War," he

expressed the opinion that, of view of the fact that it would be impossible to "balance" armaments, any attempt to reduce them would be the surest means of provoking war. There could be no hesitation, he thought, between the choice of peace on the one hand and, on the other, the humiliation of one's country. Everything possible to prevent war should be done, but it would be madness for any nation to disarm at a moment when the whole world was arming on land, on sea, and in the air. The democratic States were not bent on conquest or aggression, but peace as well as war demanded action. M. Clemenceau thought with Tacitus, "*miseram pacem vel bello bene mutari*," but a Radical English Chancellor of the Exchequer speaks of the "infamy of war" without qualification.*

President Roosevelt, the Pacificator of Japan and Russia, when he was presented by Sir Howard Vincent with the medal of the British Inter-Parliamentary Union, "expressed the hope that unbroken peace might mark the future relations of the nations of the world" and said, "the best way to secure peace is to learn to shoot straight." And on another occasion, while welcoming the prospect of a second Peace Conference at the Hague, he stated in the following terms the ethics of war and peace :—

"It must ever be kept in mind that war is not merely justifiable, but imperative, upon honourable men, upon an honourable nation, where peace can only be obtained by the sacrifice of conscientious conviction or of national welfare. Peace is normally a great good, and normally it coincides with righteousness; but it is righteousness and not peace which should bind the conscience of a nation as it should bind the conscience of an individual. A just war is in the long run far better for a nation's soul than the most prosperous peace obtained by acquiescence in wrong or injustice. Moreover, though it is criminal for a nation not to prepare for war, so that it may escape the dreadful consequences of being defeated, yet it must always be remembered that even to be defeated may be far better than not to have fought at all. As has been well and finely said, a beaten nation is not necessarily a disgraced nation; but the nation or man is disgraced if the obligation to defend right is shirked.

* Mr. George at Bath, November 24, 1911.

"Fantastic extremists are not in reality leaders of the causes which they espouse, but are ordinarily those who do most to hamper the real leaders of the cause and to damage the cause itself. As yet there is no likelihood of establishing any kind of international power, of whatever sort, which can effectively check wrongdoing, and in these circumstances it would be both a foolish and an evil thing for a great and free nation to deprive itself of the power to protect its own rights, and even in exceptional cases to stand up for the rights of others. Nothing would more promote iniquity, nothing would further defer the reign upon earth of peace and righteousness, than for the free and enlightened peoples deliberately to render themselves powerless while leaving every despotism and barbarism armed and able to work their wicked will. The chance for the settlement of disputes peacefully, by arbitration, now depends mainly upon the possession by the nations that mean to do right of sufficient armed strength to make their purpose effective."

These words may well be taken to heart in Great Britain, which seems too ready to forget that it was the knowledge of the inadequacy of our army which led the Boers to engage in hostilities with us in 1899. Had we been prepared for it, war would not have come.

ARBITRATION TREATY WITH AMERICA.

Nor has Mr. Roosevelt's successor, Mr. Taft, omitted to rebuke the unpatriotic element in American politics. "I am not in favour," said he, "of making the United States a war-like nation, but I am in favour of a large Navy commensurate with the population, wealth, and interests that need protection against intervention by some meddling foreign Government." Mr. Taft evidently does not consider this attitude inconsistent with the promotion of an arbitration treaty with a friendly Power, for on August 3, 1911, during a thunderstorm, arbitration treaties were signed in his presence* between the United States and Great Britain, and between the United States and France.

"The Treaty which Mr. Knox and Mr. Bryce have negotiated preserves the principle of Commissions, and extends, indeed, its scope. Heretofore questions insoluble by diplomatic negotiations have either been left unsolved or in recent years have been submitted to The Hague Tribunal, and between diplomatic negotiation and reference to arbitration there has more

* This awaits the ratification of the Senate and of Parliament.

than once been an awkward interval. Such, for instance, was the case over the Atlantic Fisheries dispute. To bridge that interval, and to give the nations an opportunity of settling difficulties without the expenditure of money, time, and trouble, involved in a reference to The Hague, the new Treaty arranges for the appointment of an International 'Commission of Inquiry' to deal with questions that diplomacy has failed to settle. This will consist of any nationals that the contracting parties like to appoint. There is no reference to membership of The Hague Tribunal as a qualification, and the Commission will settle disputes that may hereafter arise between the contracting Powers."*

It is, of course, anticipated that in most cases the Commission will be able to arrive at a solution acceptable to both Governments concerned.

"If it does not provide for unrestricted arbitration, the Treaty provides mechanism for the settlement 'out of court' of practically all disputes that can reasonably arise between friendly nations. By omitting the clause which most similar arrangements at present contain, reserving from arbitration questions of national honour, but without necessarily including questions obviously unfit for arbitration, it can hardly but contribute to the cause of International goodwill; and while it has been drawn up with especial reference to Anglo-American relations, it has been the evident intention of the negotiators to make its terms universal enough to be susceptible of extension to other Powers."†

It is noteworthy that nothing can be referred to arbitration without the consent of two-thirds majority of the Senate, and that the Irish-Americans denounce this Treaty, as they did the earlier effort in the same direction of the Olney-Pauncefote Treaty.

Not only the Presidents of the United States, but the Presidents of smaller Republics also have not been backward in expressing their opinion of the folly of the policy of disarmament, which finds favour in Socialistic circles and with politicians depending on their votes in England.

M. Muller, President of the Republic, said in the Swiss Chamber:—

"History has shown us that nations which allowed their military strength to decline have perished. We are a small nation, and we are aiming at

* *The Times*, August 4, 1911.

† *Ibid.*

peace. Nevertheless, we are desirous of keeping our independence, and for this purpose it is absolutely necessary to maintain our military power in the highest possible efficiency."

SOCIALISM IN ENGLAND AND FRANCE.

Nevertheless, the Socialistic and unpatriotic dry-rot of anti-militarism spreads apace. France was once the greatest military Power on the Continent, but not only has there been an increase in the number of her young soldiers, who fail to join on the due date, but for the last twenty years an amnesty Bill has been passed in favour of deserters and recalcitrant reservists or recruits.

Another disquieting feature in France is the growth of anti-militarism in the large towns, the General Confederation of Labour being most concerned with this treasonable agitation, which was most vigorously denounced by the Prime Ministers, MM. Clemenceau and Briand. Unfortunately, what he calls international humanitarianism, is almost a religion with the primary school teacher in France, who, as too often is the case in Great Britain also, regards patriotism as no part of his creed, and gives it no place in his school curriculum.

The Government of the Republic, however, cannot be blamed for this disastrous state of affairs.

The arch agitator against national defence, M. Hervé, was sentenced not long since to one year's imprisonment, having escaped from several previous prosecutions, when the Socialist leader, M. Jaurès, urged that England allowed her citizens to indulge in criticisms of Colonial policy at least as strong as that of the incriminating articles. It was on this occasion that the French Foreign Secretary, M. Pichon, said:—

"The spectacle we are witnessing, the care with which the greatest nations of Europe are attending to their armaments, would alone suffice to put our patriotism on its guard. The sense we have of our duty, our knowledge of the laws of history, the necessity imposed upon us to show ourselves worthy of the great confidence we inspire and of the high authority we possess, to promote the ideas of which we are the guardians, ought to prevent us from allowing to collapse in our hands the instrument necessary for our defence and our power, blasphemed by an infinitesimally small but turbulent gang of spouters, buffoons, and featherheads."

No similar statement has yet been made by English Ministers, though equal provocation has not been wanting, and a repudiation of the disloyal speech and acts of agitators would be welcomed in all responsible quarters throughout the country.

Seldom has a more comprehensively unjustifiable resolution been passed by any Parliament than that of our own, which declared in 1906 "that the growth of expenditure on armaments is excessive and ought to be reduced. Such expenditure lessens national and commercial credit, intensifies the unemployed problem, reduces the resources available for social reform, and presses with exceptional severity on the industrial classes."* Nor is there any foundation whatever for the resolution of the International Arbitration and Peace Society to the effect that expenditure on armaments is dragging all the great States of the world towards ruin. In fact, the expenditure of the United Kingdom has not increased in recent years in proportion to her resources. The charge for her army and navy represents an insurance of 3 per cent. on the annual income, and 0·4 upon the capital, now reckoned by statisticians to be twenty-two thousand millions.

There is no sign in Germany that the people are crushed under military expenditure, which indeed all classes are patriotic enough to bear willingly, since they see that they are becoming prosperous in proportion to, and very largely in consequence of, their strength.

EXPENDITURE ON ARMAMENTS AND WASTE.

It is extraordinary that economists who protest against any increase in the expenditure on the Army and Navy overlook the fact that most of that expenditure goes to support industry and labour in this country. Our annual expenditure under this head employs hundreds of thousands, subsidises a large ship-building industry, and keeps our shipyards in constant occupation, and in a state of efficiency. It is a matter of primary importance that the large dockyards on the Clyde, Tyne, and elsewhere should be maintained in a state of the highest efficiency by constant contracts. Warship construction is the

* Parliamentary Debates, vol. 165, 1906, page 1416.

salvation of many districts, and airship construction in a less degree should afford employment to scientific men and to skilled artisans as soon as its importance is more generally appreciated. France and Germany lead the way, and the Coalition Government of Mr. Asquith has at length announced its intention of training selected officers and mechanics in aviation, making a grant in aid of their expenses, developing the Air Battalion, and purchasing airships with due regard to the rapid rate at which at present the latest designs become obsolete.* Perhaps in time attention will be given to the all-important question of the supply of officers, which remains stationary in the face of the steadily increasing demand, which results from the extension of the Empire. The pay of every one has been raised except that of the loyal British officer, who neither strikes nor agitates, but grumbles and does his duty. The Army affords most valuable employment to our upper and middle, as well as to our lower, classes, and steps must be taken to maintain the attractiveness of the service, especially at a time when salaries are being thrust upon unwilling Members of Parliament as a consequence of the dictation of the Socialist and Labour groups, and when paid offices are being created with alarming and unnecessary profusion.

The greater portion of the expenditure on armaments circulates in our own country and amongst the labouring classes. Soldiers and sailors profit no more than the sellers of guns, rifles, swords, horses, saddlery, and a thousand and one other necessities. General disarmament would cause widespread ruin and hardship in the ranks of labour, and the British Navy and Army have not only maintained peace, but have given, and do give, work to hundreds of thousands of our fellow-countrymen.

Not only our home trade and industries would suffer from reckless disarmament or reduction, but our Eastern trade would disappear, and 132 millions of British, and 80 millions of Indian, capital invested in India, would be imperilled or lost. We should, too, lose the wheat trade which supplies this country with bread.

* Colonel Seely, in the House of Commons, July 19, 1911.

Expenditure on armaments must be regarded as an insurance against the great loss involved in a war, and the incomparably greater loss, involved in defeat. The total Army and Navy Estimates are certainly not excessive, and are proportionally about a third of what they were in 1830, when the volume of our trade then and now is taken into account. Under the voluntary system, however, the Army and Navy have to compete in the labour market in the ordinary way, and their pay has therefore to be raised to correspond with the increase in wages and the standard of comfort which is so marked a feature of our national life.

The Germans appreciate the fact that the German army is, as the Prussian War Minister lately said, an entry on both sides of the account, and not only expenditure. That is equally true, of course, of naval and military expenditure in Britain, and Labour Members show that they are aware of the fact, which they deny collectively, when those of them, who represent dockyards and arsenals, loudly exclaim against any reduction, however small, in their individual constituencies.

The same Prussian War Minister also urged the people never to forget the advantages which military service confers in the way of health, discipline, and education, devotion to duty, and obedience and love of the Fatherland, saying, "The great progress which Germany had made in every sphere of activity is not due solely to victorious wars and the influx of wealth, but in a very large degree also to the education of the German people by universal service."

The National Liberal leaders do not seriously contest this obvious fact, and Herr Basserman has pointed out that the increase in armaments is a burden that ought to be borne in the interests of the maintenance of peace and the protection of the whole system of trade and industry. Disarmament, he said, was doubtless an ideal, but Germany had to deal with certainties, and it was quite certain that the problem of international agreement would not be solved in the near future. At present Austria was building Dreadnoughts, Russia was strengthening and reforming her army, in America Imperialism was growing, and he need only mention Japan. The peace of

the world was saved by the might of Germany when she sided with Austria in the Balkan crisis of 1909.

No tonic of this character has been administered by Liberal leaders to their followers in this country, though there is sore need for a recognition of the fact that there are weak joints in our domestic and Imperial armour.

COLONIES AND DEFENCE.

Owing to the want of Imperial organisation in that behalf, the whole burden of home defence has hitherto rested on the Mother Country, and unless some concerted policy is adopted for future observance, nothing can prevent the dissolution of the Empire from within, even if, which is unlikely, it escapes dismemberment from without by a stronger Power. All over the world the British possess the best of everything, the coast and the fertile maritime tracts, leaving to other nations the comparatively valueless hinterland. It has now the greatest land frontier of any Empire or kingdom in the world, and unless it becomes far stronger than it appears to be in comparison with the strength of other great Powers in the almost immediate future, it cannot expect to be left to enjoy its great possessions in opulent and slothful ease.

The Colonies themselves recognise the position, and Mr. Fisher, Premier of the Commonwealth Labour Government, had hardly landed in England in 1911 for the Coronation of King George V., when he publicly repudiated the Socialist Labour Member Mr. Keir Hardie's anti-military attitude, and said, "that if he himself stood by and saw Australia undefended, he would feel he had been criminally negligent of one of his first duties." Indeed, "he regarded Imperial Defence as the most important point for Australia at the Imperial Conference," and stated the view of the Australian Labour Party to be that "Australia must first be able to defend herself, before she could consider her share in a general Imperial Defence scheme."

So clear is it that in the present condition of the world universal training or service are necessary to the independence of a nation, that even the unwarlike and war-despising Chinese are awakening, and a National Merchants Corps, inaugurated

in 1906 in Shanghai, has now nearly reached its full strength of 1,000, and will in no long time be raised to a strength of 3,000 men.* The Chinese greet this novel movement with the utmost enthusiasm, and it is becoming recognised that it is the duty of the people to render military service, and that soldiers and soldiering will soon cease to be relegated to the lowest grade of the social hierarchy of the Middle Kingdom. And after all, what nobler, more elevating, and more democratic ideal can there be than that of an army consisting of young men of all classes daily devoting themselves to the same duties and making the same sacrifices? What finer example of collectivism than a community of burdens in the hour of danger? and what a contrast such an ideal affords with collective plunder, under the form of legislation, of the property or income of an unpopular or a politically hostile class? Surely universal military training is more democratic than fighting by proxy; surely the democrat in Britain will not be content to be distinguished for all time from his brother in other countries by his unwillingness to defend his fatherland!

ARGUMENTS FOR AND AGAINST A SMALL ARMY.

FOR.

1. Money spent on armaments is wasted. Germany is unlikely to attack England. Arbitration treaties are likely to increase and multiply, and war will vanish from the face of the earth.

2. International interests are increasing, and social and financial interests render future wars improbable.

3. English international influence is greatest because of her humanitarian sympathies, and her influence is against war.

4. The British people will never agree to compulsory service or training, and the Territorial army will suffice for the defence of the United Kingdom.

5. The Territorial army could deal with an invading force of 70,000 men, and no greater force could elude the vigilance of the Navy. In Continental wars Great Britain cannot, and should not, take part.

6. The scheme of the National Service League for compulsory training is incompatible with recruitment for the Regular army.

* *The Times*, June 8, 1911.

7. Compulsory service lacks the adventurous impulse which animates a voluntary army.

8. No country can afford to have a large army and a first-class navy, and Great Britain must do without the former as the latter is a vital necessity.

9. The waste of money on armaments prevents the progress of social reform, and makes internal improvement impossible.

10. The expenditure upon the Navy is already about 3 per cent. of the value of our trade, and nearly one-fifth of our income.

11. England is practically immune from invasion. Why throw away this advantage by maintaining a large army, such as nations must, who are liable to this disaster? "The serious invasion of these islands is not an event we need seriously consider."*

12. After making necessary deductions for garrison and local defences, we have a sufficient field army of about 120,000 men available to deal with an invading force.

13. The greatest military Power of the Continent, Germany, is a friendly kindred Power possessing the same civilisation, the same ideals and standards as ourselves. She is of all nations the most unlikely to make war upon us.

14. The Territorials, who are about the number of the old Volunteers and Yeomanry, which cost £1,971,000, already cost £2,650,000, and will cost twice this sum when properly equipped. The expenditure upon the existing forces is almost prohibitive, and cannot be increased.

15. As nations become convinced that military force does not determine economic power, the necessity for great armaments disappears, and this conviction grows apace. It is obvious to all that the Hollander and the Swiss are better off than the German and the Austrian, that they receive equal consideration in the world's markets.

16. Wealth consists in the activity of the people. Germany, if it took England, would perforce let everything go on as before. A blow to England's would be a blow to her own credit, and a greater blow.

17. It is better business to have a good market than an exclusive economic advantage.†

18. If you desire peace, you must prepare for peace.

19. All questions including, as is now admitted, those of national honour, can best be settled by arbitration.

20. When immunity of private property at sea is established, for which a great majority of delegates at last Hague Conference voted, Germany will no longer continue to build against England, and the latter's naval and military strain will at once be relaxed. Our own commerce is open to attack at sea like that of other Powers, and we should agree to abolish the right of capture.

* Mr. Balfour, April, 1905.

† Mr. N. Angell, at Sphinx Club, May 5, 1911.

AGAINST.

1. Universal peace is a dream ; the German Navy can only be directed against England, and has no other *raison d'être*. War is with difficulty avoided at the very moment when certain nations are negotiating arbitration treaties.

2. The international attitude is scorned even by the Socialists of the Continent, and is almost peculiar to the British brand of Socialist. France is no less vehement than Germany in her repudiation of these disloyal ideals.*

3. England's alliance is little valued because she is known to be unwilling to fight, or unable at present to overcome the reluctance of the peace-at-any-price party.

4. The Territorial army has been denounced by most distinguished and independent soldiers, especially by Lord Roberts,† as wholly inadequate, and therefore a positive danger to the country.

5. There is no reason why a larger force than 70,000 should not slip across the North Sea, as half the fleet might be absent in other parts of the world. Even the whole fleet might conceivably be eluded.

6. Lord Roberts and other distinguished soldiers hold that compulsory training would rather stimulate than impede recruitment for the Regular army.

7. Records of compulsory service in Germany and Japan sufficiently refute the argument that compulsorily raised forces lack the enthusiasm and staying power of a voluntary army.

8. Expenditure on the Army and Navy results in employment of multitudes of British subjects, and supports innumerable trades and industries, including some of the most important in the country.

Reduction and disarmament would not only create unemployment and disorganise industry, but would result in the loss of our Eastern trade, and of British capital invested in India.

9. The other party to an arbitration award will only abide by it if we are strong, and will reject it, if we are weak.

10. Social reform comes after safety. A house must be certain to stand before it can be made comfortable inside.

11. The Army has not increased proportionately to the increase of the Empire in extent, wealth, and population.

12. It has not increased relatively to the increases in military strength of other Powers.

13. The British Empire is not an island, but has a vast land frontier to defend, nor can war be won or ended by merely defensive action. We are also practically pledged by treaty to offensive action in favour of guaranteed Powers, such as Belgium.

* *The Times*, July 22, 1911.

† House of Lords, April 4, 1911.

14. If Germany acquired Holland and Belgium, which, without an army we could not prevent, she would at once be in a position to destroy our sea power.

15. The Army must be sufficiently large to give strategic freedom to the Navy by relieving it of the duty of home defence.

16. The expenditure on the Navy in 1801 was 18 per cent. of the value of our trade. The function of the Army becomes more important as the naval defence becomes less in proportion to the value of our trade.

17. If a home defence army is required, it must be able to deal successfully with any troops to which it is likely to be opposed.*

18. Lord Wolseley asserted his "belief in the possible invasion of England."† So does General von der Goltz, who writes: "It is incorrect to consider an invasion of England to be chimerical or unrealisable."‡

19. Mr. Balfour said in 1909 that the Committee of Defence had then come to think that we must be prepared for an invasion of 70,000 men.§ Germany has ample transport for this number.

20. Mr. Asquith said on the same occasion that we must have a home army adequate to repel raids and compel an invading enemy to come with a force so large that it could not evade our fleet.||

21. A maritime Power must succumb to a blow struck at its heart.

22. The home army of 100,000 to 120,000 available for repelling an invasion would be second line insufficiently trained troops.

23. We are by no means popular on the Continent.

24. We have had continual misunderstandings with Germany, and the need for fresh markets and for room for her increasing population must bring her into collision with her chief rival, Great Britain.

25. Lord Haldane himself, when he first launched his scheme, "hoped eventually to see a defensive force of 800,000 to 900,000 men, a nation in arms, the only safeguard"¶ in war, but the establishment is now 312,577 men, and on September 30, 1910, the deficiency on that was 44,374.** These are not enough to repel an invasion and provide for local and garrison defence.

26. Only a nation with a sufficient military force can secure the most advantageous economical position.

27. Talk of arbitration treaties is folly while we ask Germany as a condition to maintain permanently a secondary place at sea and consequently in the world's commerce.

* Lord Roberts, House of Lords, November 23, 1908.

† Lord Wolseley, letter to Lord Wemyss, November 28, 1906.

‡ *Deutsche Rundschau*, 1900.

§ Parliamentary Debates, July 29, 1909.

|| Parliamentary Debates, 1909, vol. 8, p. 1388.

¶ Speech at Newcastle, September, 1906.

** Lord Lucas, in the House of Lords, November 15, 1910,

28. True, Belgium, Holland and Switzerland have equal chances with the great Powers in the world's markets, but only because they are secured in peace and independence by the armies and the jealousies of great Powers. They also depend on armies and navies, but not upon their own.

29. By agreeing to the immunity of private property at sea, England, the greatest naval Power, would surrender a great, perhaps her greatest, naval advantage.

ARGUMENTS FOR AND AGAINST COMPULSORY MILITARY TRAINING FOR HOME DEFENCE.

FOR.

1. Universal military training will improve the character, discipline, and physique of our race.

2. Defence of country and self is the first duty of a citizen, and England alone of European nations raises its whole army on a voluntary system.

3. The compulsion is that of the popular voice, public opinion rejects the imposition upon a few of the duty of all, and the relegation of a national duty to those who perform it because they are driven thereto by poverty and lack of other resources.

4. Other Powers, such as France and Germany, garrison their foreign stations with voluntarily enlisted troops. Compulsory service for home defence is found to be no bar to such enlistment.

5. "The voluntary principle overlooks the great moral value of the idea of a general patriotic obligation."*

6. Our soldier in the Regular army costs £163 a head a year against £57 for Germany, £15 for France, £36 for Russia, £19 for Austria, and £34 for Japan.

7. We have needed and used limited and class impressment and conscription in the past and thus won Trafalgar and Crécy. The principle is conceded, the application should be general.

8. "The nature of the voluntary system makes it impossible to demand a reasonable standard of efficiency without greatly reducing the forces."†

9. "The progress of industry and the development of the industrial spirit are fatal to the voluntary system."‡

10. Every man of every rank and class of sound physique, and between certain years of his life, should be liable for service in the home defence forces.

11. For this he requires for the infantry continuous compulsory training

* Lord Milner in the House of Lords, July 10, 1906.

† Duke of Norfolk, Chairman of Commission on Auxiliary Forces, House of Lords, June 28, 1904.

‡ Shee's "The Briton's First Duty," p. 127.

for four months between 18 and 21, and for the three following years a fortnight's camp in the Territorial ranks, and a musketry course, and he should be liable up to the age of 30 to be called out for home defence in case of a grave emergency, which Parliament should decide.

12. The extra cost would be well under four millions, and safety is cheap at the price.

13. Compulsory training will also promote industrial prosperity, as the physical training and exercise prolong the period of the wage-earning capacity of the citizen.

14. Compulsion of all sorts abounds and increases daily as our government becomes more and more Socialistic in character.

15. Every modern great Power, except the United States, has abandoned the voluntary system.

16. When every man has to fight in time of war, the nation is more unwilling than ever to make war without good reason.

17. Universal compulsory training does not interfere with industry. All employers would be on the same footing, and the labour withdrawn would at its highest be but 2·58 per cent. Germany with compulsory service advances industrially faster than any other nation.

AGAINST.

1. Compulsory service is repugnant to the feelings of the nation and inconsistent with the liberty of the subject.

2. It cannot provide troops for overseas garrisons and stations, for which we must have voluntarily enlisted men.

3. The Militia Ballot Act, 1757, in abeyance since 1832, actually provides for universal personal service, but public opinion does not allow it to be enforced, so opposed is the idea to national feeling.

4. The Regular army gives no permanent employment, and so promotes eventual unemployment.

5. Arbitration is fast becoming the accepted method of settling international disputes, and the adoption of compulsion is therefore less than ever necessary.

6. The adoption of the proposals of the National Service League would cost an additional £7,820,000 to the Army Estimates.*

7. Readiness for war promotes war, the larger the army the more it seeks for warlike occupation.

8. Universal compulsory training interferes with trade and industry.

BIBLIOGRAPHY.

- Facts and Fallacies. By Field-Marshal Lord Roberts.
Compulsory Service. By General Sir Ian Hamilton.
The Briton's First Duty. By George F. Shee.

* War Office Memorandum, No. 101, July 8, 1909.

CHAPTER III

FOREIGN AFFAIRS

PARLIAMENTARY TREATMENT.

IT is clearly equally impossible to wholly omit, or fully treat of, foreign affairs in a little work of this kind. The mean course appears to be to briefly notice those subjects upon which controversies in and out of Parliament at the present time prevail. There is, of course, in some sense, a controversial question as to the manner in which foreign affairs should be treated. A section of the House of Commons, composed for the most part of advanced Radicals, Labour Members, and Socialists, desires that the control of the House over the Foreign Secretary should be increased, that treaties and agreements with other nations should be submitted to Parliament, and indeed that such submission should be a preliminary to effective negotiations. Whether from want of experience of, or from indifference regarding, the real conditions of international intercourse, or from a feeling that their intervention is attended with results of national or international importance, is hard to say, but for these or other reasons the section of the House of Commons which holds these opinions is that which is most insistent in pressing for a reduction of those armaments of which diplomacy is but the pale reflection, and without which no attention whatever would be paid to England's voice among the nations. There is, for example, a little group of Members who urge armed intervention in the Congo, regardless of the fact that such would probably provoke war with Germany, which, on the other hand, they illogically declare to be a crime as unthinkable, as everybody at the moment agrees to regard a

conflict between England and the United States, though every one, nevertheless, is well aware that peace between these countries might in certain contingencies be broken. It is, of course, true that under existing circumstances the House of Commons is not taken into the confidence of the Foreign Minister, and that the fullest expression is not given to the views of the democracy, if, for the moment, it be conceded that such views are truly represented by the House of Commons; but in fact the conduct of foreign affairs would become impossible if assent was given to the wishes of this group.* Already England negotiates with her hands tied owing to the fact that her foreign policy is liable to fitful and unaccountable changes, as the opinions of the democracy are guided hither and thither by agitators, who train them into grooves in which they desire them to run, and in which, as far as may be, they shall seem natural and spontaneous. No other European Power, not even the French Republic, works under this difficulty, for in France *la patrie* has still much of the meaning which *Vaterland* has in Germany, and the internationalist, the Socialist, the faddist, and the altruist have not yet been able to exercise much influence, nor have the many associations and societies, the object of which is to protect everything and everybody except their own country, been taken at their own valuation in the chanceries of the Continent of Europe. It is, of course, true that under a perfectly developed democracy foreign politics will be discussed and settled by the representatives of the people, as they were in Athens, and with probably the same result; but as it is admitted in Great Britain, even by a prominent Socialist Member, that Parliament does not yet represent the people, probably the majority of its inhabitants will be content that the Foreign Office should continue to maintain such continuity of policy as it can, and that the Foreign Minister should carry on his delicate duties as successfully as may be under the exceedingly great difficulties of his position. If there was any sign that the decisions at which the Foreign Office arrived gave dissatisfaction

* "Diplomacy is of necessity more or less of a secret game."—Mr. Asquith, House of Commons, November 27, 1911.

to the electors, then obviously the desired change would have to be introduced, but there is not the slightest manifestation of any such feeling, and indeed under existing circumstances it is impossible to say that the electors have given any clear and unmistakable mandate on this or on any other subject. Had the policy to which reference has been made above been carried out in the Parliament which sat from 1906 to 1910 we should, as Sir E. Grey said in the House of Commons, not have been on speaking terms with any other country.*

It would be of little use, and is certainly outside the scope of this book, to discuss the position in the Near East, when in 1909 Germany threw her sword into the scale in favour of the recognition by Europe of the annexation of Bosnia-Herzegovina by the Austro-Hungarian Empire, or the acute situation which arose when she intervened for the first time in respect of Morocco, on neither of which occasions did this country play a very effectual part. Nor would it be of any advantage to discuss a situation such as that which is now developing in Albania, or the war forced upon Turkey by Italy. Other subjects, however, claim attention, and the most important instruments negotiated by the British Government in recent years are the Anglo-Russian Convention and the renewal of the Anglo-Japanese Alliance.

ANGLO-RUSSIAN CONVENTION.

Under the former agreement the Governments of Great Britain and Russia, while engaging to respect the integrity and independence of Persia, accepted the principle that each of them had, for geographical and economic reasons, a special interest in the maintenance of peace and order in certain provinces of Persia adjoining, or in the neighbourhood of, the Russian frontier on the one, and the frontiers of Afghanistan and Baluchistan on the other, hand. The practical outcome is that either Power undertakes not to seek, or support its subjects in seeking, within certain defined limits any concessions of a political or commercial nature, these being understood to com-

* Debates, House of Commons, vol. 10 of 1909, p. 2302; also Speech on Morocco, November 27, 1911.

prise concessions for railways, banks, telegraphs, roads, transport, insurance, and the like purposes.

This Convention is unfortunately regarded in many quarters as an anti-Mahomedan alliance which places Persia and Afghanistan under the control of Russia and England. Nor can it be said there is nothing in this view, although the agreement really only confines the two Powers to their Northern and Southern spheres of influence, between which a neutral zone is delimited, while it is expressly stated that it does not include the Persian Gulf. Little comfort, however, can be derived from the express exclusion of a sphere in which British predominance cannot possibly be denied, nor has any advantage so far resulted from the omission of any reference to the Baghdad Railway. The agreement has been severely criticised by those who have chiefly or solely regarded its provisions in respect of Persia, and it may be admitted that Great Britain had a good claim to include within her sphere of influence not only Persian Baluchistan, but the northern shores of the Gulf, and the hinterland at least as far north as Kermanshah and Ispahan. There seems no apparent reason why the Russian sphere should have been brought down so far south as the old capital of Persia, and why the northern shores of the Gulf and the country behind should have been left in the neutral zone. British commerce is supreme in that region, and Great Britain cleared the Gulf of pirates, and policed and opened its waters to the world's trade, of which in this region she has, of course, the lion's share.

There is little doubt that in spite of efforts made by the British authorities to force the parliamentary Government to preserve order in Southern Persia, our influence in that region has been greatly impaired. On the other hand, the position of Russia in Northern Persia has improved, and owing to the retention till well into 1911 of a small body of troops at Tabriz, order has been maintained, and trade, in which the Russians are largely interested, has been protected.

Parliamentary Government* has resulted in absolute

* It is doubtful if this has survived the coup d'Etat of December 24, 1911, when the Mejliss was closed, martial law proclaimed, and certain demands of Russia conceded.

anarchy in Southern Persia, and in the loss of the very little authority the Shah's Government ever possessed upon the northern shores of the Gulf. The landing of the ex-Shah on the Caspian coast, with the intention of striking a blow for his throne, is the natural result of an exhibition of incapacity such as cannot but thoroughly discredit representative institutions in Persia for many years to come; if, indeed, the substitution of Bakhtiari, for Kajar, tribal influence can be described as a serious essay in the art of representative government. Sir Edward Grey has stated in the plainest possible manner that the British Government will not interfere between the ex-Shah and the Parliamentarians in Persia, and that the Russian Government in no way connived at the Shah's return. He described the ex-Shah's reappearance, however, as a "most untoward event,"* and but for Russian and English intervention, it is pretty clear he never would have been expelled. It would appear, therefore, that neither Government repents of the assistance it gave to the establishment of parliamentary anarchy in Persia, but that both alike are determined to let events in future take their own course, "provided Persian independence takes account of the respective interests of Russia and Great Britain in the parts adjoining their frontiers."†

But the guarantee of the independence and integrity of Persia, which is holding good under this strain, was well worth a sacrifice, and if we now occupy the northern shores of the Gulf with claims and concessions, and one such for a railway from Mohammera to Khoramabad has been demanded,‡ little harm will have been done, while the Convention has

* Parliamentary Debates, July 28, 1911.

† Sir E. Grey, House of Commons, November 27, 1911.

‡ The period for which the Persian Government undertook in favour of Russia not to make any railways expired in 1910, and the British Government still has the right to construct or procure the construction of a railway in Southern Persia, whenever railway construction takes place in any other part of that kingdom by, or on behalf of, any other Power.

already saved the realm of the King of Kings from dismemberment.

The Nationalists in Persia were at the last gasp in Tabriz, when Russia and England intervened and forced the Shah to grant a truce, thus giving the Nationalists breathing time, and inspiring them with the very little courage required for an advance upon the unprotected monarch in his spiritless and unwarlike capital. The Convention has relieved England and India from immediate apprehension on the North-West Frontier of India, and in Central Asia, where Russia's railway system has been immensely developed in recent years, and wherein that Power maintains an army of a peace strength of nearly sixty, and a war strength of nearly one hundred, thousand troops.

Russia can now keep an army of half a million men on the Afghan frontier, and would be a greater menace than ever were it not that with the independence of Persia secured by the Convention, the importance to us of Afghanistan as a frontier factor is greatly diminished. It was a very great advantage to define our position in Persia, Afghanistan, and Tibet, though it is matter for regret that the fruits of the Tibetan expedition were deliberately thrown away by the Conservative Government, in pursuance of a policy which the succeeding Liberal Government only too eagerly adopted and developed. The result of this successful, but ill-starred, enterprise is that China's shadowy suzerainty has been converted into something much more substantial, and that her activity on the North-East Frontier of India and the adjoining country is likely, as Lord Minto, the lately retired Viceroy, recently hinted, to give us no little trouble in the future, if indeed she recovers from the acute internal dissensions from which she now suffers, and finds Parliamentary and Constitutional Government as impossible as they have proved in Persia. Sir Edward Grey must be given credit on the whole for having exhibited a statesman-like power of taking occasion by the hand in 1907, when Russia, weary and wounded in the Far East, was prepared to halt in her, till then, incessant progress in Central Asia. It had become quite clear before the

Japanese War that she intended to turn the flank of the North-West Frontier of India by penetrating Persia to the Gulf. This fact also diminishes the importance of Afghanistan in British Indian politics, and distracts attention from the attitude of the present Ameer, now King, of Afghanistan, who has not yet expressed his formal approval of the Anglo-Russian Convention, but whose acts, moods, and omissions are now less regarded by the British and British-Indian Governments. In any case, as Germany is our competitor and potential enemy, an *entente* with Russia, following on the Convention of 1904 with France, is an essential feature of a wise British policy.

ANTI-RUSSIAN DEMONSTRATIONS.

Regarding Russia proper two problems only have lately excited interest in this country. Demonstrations were made in Parliament by Labour Members against the present Czar, who had just conferred Parliamentary institutions upon his own country, whose troops had been the means of allowing Persian revolutionaries to expel an absolute Shah and place a quasi-parliamentary puppet on the throne of Cyrus and Darius, and who had been the initiator of the Hague Peace Conference. In 1908 a reduction of the vote for the Department of the Foreign Secretary was moved from the Labour, and seconded from the Irish, benches, in order to attack the Czar, and to condemn the visit King Edward was then about to pay to that monarch. It was urged that Russia was a country full of terrors, tortures, and persecutions, that a visit from our King would enable the Government of that country to borrow money to pursue its nefarious schemes of autocratic rule, and that no Liberal Government should maintain friendly relations with a State which had arrested and imprisoned members of its own Duma.* All the false and exaggerated statements circulated by Russian revolutionaries were apparently accepted, and were certainly repeated, by those who supported the motion. It was, of course, pointed out in reply that the internal administration of Russia was a matter in which we had no title or claim to interfere, and that it was

* Parliamentary Debates, 1908, vol. 190, 211 *seqq.*

ridiculous to try to establish a sort of Irish boycott against a vast Empire with which we had close and important commercial and other relations. The British Government took full responsibility for the King's visit, saying it was absurd to suppose that this country could for the reasons suggested abstain from maintaining friendly relations with another nation, of whose government any parliamentary group or section did not approve, that such a policy would be fraught with disaster to a large number of the subjects of both Powers in different parts of the world, and would stultify the Government which had just entered into the Anglo-Russian Convention; that the policy of the Labour Party would lead to war as surely as the Anglo-Russian Convention promoted peace, that a suspension of diplomatic relations gave the rein to passion and unreason; that the policy of boycott might, and would, if once adopted, be extended to the German Emperor and to other European potentates; that objections were taken, and indeed by the same group in Parliament, to certain features of the Governments of most of neighbours; that all moderate Liberal and reforming elements in Russia welcomed the visit of King Edward, to which objection was only raised by the reactionary and revolutionary party, whose chief desire was to embarrass the Russian Government; that to condemn or defend Russian administration in Parliament must equally give offence; that a great deal of the disturbance in Russia was occasioned by the revolutionary party; that the political condition of that country was improving, not retrograding; that representative government was developing; that it was ridiculous to require other countries immediately to adopt the democratic franchise, which only within the last fifty years had been established in Great Britain, and that any attempt to bring pressure to bear on Russia would have the opposite effect to that which was desired.

The motion was supported by only fifty-nine votes, but the object of the promoters was presumably attained, Russia was insulted, and Socialist internationalism obtained a useful advertisement.

In 1909, when the Czar visited England, this demonstration

was repeated, the powder and shot being provided by a scarlet pamphlet * composed by the exiled Nihilist, Prince Peter Kropotkin, who was accepted as an authority on the ground presumably that an unrepentant exile is the material of which impartial critics may be made. The attack was again delivered from the Labour benches during the debate on the Foreign Office vote.† It was urged by the Labour Members and their friends that Prince Kropotkin, who was their authority, was a good authority, and the scarlet pamphlet was hurled at the head of Imperial Parliament, with its statistics of prisoners, whose numbers were considered without relation to the vast population of Russia, whose suicides were all described as due to official oppression, whose executions were all unjust. The government of Russia was described as the epitome of all evil, and Mr. Henderson, who had led the Labour Party, and had supported motions for the reduction of armaments, urged the Government to refuse British hospitality to the Czar, at the risk of war, risks equally great having been taken by this Government and other Governments for less worthy objects! The same arguments were used against the promoters of this motion as were urged on a former occasion, and are above summarised. The Foreign Secretary naturally declined to accept the statistics of Prince Kropotkin, and added that accredited representatives of Russia in England, such as Professor Miliukof, who said, "We are the opposition of the Czar, not the opposition to the Czar," had publicly resented the slight which the Labour benches had sought to put upon their sovereign, that presumably they were better acquainted with the feelings of Russians than were the anti-Russian Members of the British Parliament, and that no patriotic Russian was likely to sympathise with a motion brought forward with the object of insulting and obstructing his own Government. Indeed, in Sweden by a unanimous vote the Chamber refused to allow a similar discussion to take place.‡

* Published by the Independent Labour Party, 1909.

† Parliamentary Debates, 1909, vol. 8, pp. 642 *seq.* ‡ *Ibid.*, p. 688.

QUESTION OF FINLAND.

Efforts have also been made, some of which were frustrated by the agency of the author of these lines, to raise what is known as the Finnish question in Parliament. No one who has travelled in the "land of a thousand lakes"—

"By the springs that loudly bubble,
By the rivers winding seaward,
On the broad backs of the marshes," *

and associated with its Finnish and Swedish populations, can have other than a love of this country and its inhabitants, or do other than pray that the unsought and unwelcome intervention of foreigners may not strengthen the determination of the Russian Government to deprive it of such attributes of autonomy as survive. Nothing is more likely to exacerbate such anti-Finnish feelings as now exist among Russian bureaucrats than foreign interference in the purely domestic affairs of Russia. Those who meddle in this manner are in fact the worst enemies of the interests which they pretend, and no doubt often desire, to serve. However, a Bill based on the recommendations of the Russo-Finnish Committee of 1909 became law in June, 1910, the main object of which was to approve proposals for a new procedure in legislation on Finnish matters affecting Russian interests.

Although the Emperor-Grand-Duke of Finland has the right to veto any legislative measure passed by the Finnish Diet, and although the Russian Council of Ministers had been in 1908 invested with power to intervene in Finnish legislation and administration, the Bill of 1910 went still further and allowed the Finnish Parliament no voice in legislation on questions which do not relate solely to the internal affairs of Finland. Under this Bill the Russian Parliament has power to decide to what extent the Grand Duchy is liable for Imperial expenditure and to impose taxes for this purpose, to define the rights of Russian subjects in Finland, and to create exceptions to the Finnish criminal law and procedure, to legislate on popular education, on the right of holding public meetings and

* Wainamonen, "Kalevala."

associations, on customs, trade marks, copyright, money system, communications, navigation, and the rights of aliens in Finland. The Grand Duchy is therefore to have little or no voice on Imperial questions in which she also, like other portions of the Russian Empire, is interested.

On the other hand, legislative proposals, before being settled by the Duma or Council of Empire, have to be referred to the Finnish Senate for opinion, the people of Finland being represented by one member on the Council of Empire, and on the Duma by four members. Now the Finnish Senate itself is nominated by the Czar, and it must be admitted that the Bill will make a considerable breach in the existing Constitution.

Apparently Finnish tariffs are not for the present to be raised,* but it is urged that this policy of unification will ruin Finland without benefiting Russia, except in respect of the appointments in the former, of natives of the latter, country, and that the abolition of the internal autonomy of the Grand Duchy cannot but injure Russian credit in the eyes of Europe, throughout which the solemn engagement of Alexander I., when he confirmed Finland in the enjoyment of the laws which had applied to it as part of the Swedish kingdom, is well known.

On the other hand, it is urged that Finland has never been converted into a separate State, but is a Russian province. It is, in fact, incorporated territory in the Russian Empire, enjoying autonomy in purely local affairs, but being only one of several provinces taken by conquest from Sweden which have passed into the property of the Russian Empire, upon the legislative power of which they depend. The regulation of common Russian and Finnish interests by identical laws, though possible before the creation of the Duma and Imperial Council, could hardly survive that event. Finnish laws would continue to be the work of an autocrat, while Russian laws were the product of an Emperor assisted by two Chambers. The law of 1910 is a necessary development of the reform of the legislative system of the Empire by the Imperial manifesto

* Parliamentary Debates, 1910, vol. 17, page 444.

of 1905, and matters of Imperial interest, excluded by the law of 1910 from Finnish legislation, will be decided by the Russian Parliament upon a more democratic, or at any rate, upon a less bureaucratic, basis. The autonomy of Finland will not be destroyed, because most purely internal questions are left to the ordinary course of Finnish legislation; for instance, the organisation of the Province in respect of police, urban and rural self-government, civil service, pensions, and, with the exception of such as are imposed for Imperial purposes, taxes, mining industries, forestry, class distinctions and privileges, excepting these of Russian non-Finnish subjects in Finland, and civil and ecclesiastical affairs with certain exceptions, criminal laws and procedure, education with certain exceptions, commercial legislation with certain exceptions, posts, agriculture, communications, fisheries, poor law, and many other heads of administration.* Further, it is contended, and with good reason as would appear, that Finland has manifested separatist aspirations, and has been unwilling to pass laws required in the general interest, or to grant Russians equal rights with Fins in Finland; that the Parliament of Finland has, in fact, deprived Russians of civil, political, and industrial rights, has introduced several Bills forbidding Russians to be members of local government bodies, and has deprived them of the right to own printing works, bookshops or libraries, and to purchase real property, without the special order of the Emperor-Grand-Duke obtained in each case; that it was intolerable that Russians should be treated as foreigners in a province of the Empire the second town of which is only twenty miles from St. Petersburg, and is more or less a summer resort for the capital. Finally, supporters of recent legislation insist that the isolation of Finland from Russia in the case of war between the latter and any Western Power could not but be fraught with danger to Imperial interests.

Meetings have been held in England of the mistaken friends of freedom, resolutions have been adopted of the usually offensive character towards Russia, and questions have been

* "Finland," by Lieut.-General Borodkin, p. 100.

asked in the House of Commons, urging the intervention of the English Government, which would be practically identical with the interference of the Imperial Russian Government for the purpose of protesting against the further continuation of the Union between Great Britain and Ireland.

It is hard to get away from the fact that as Finland is indisputably an integral part of the Russian Empire, her administration must be brought into line with that of Russia proper, to which she lies in the most immediate vicinity. Her internal autonomy is, as far as is compatible with her position as a Russian province, respected. It is probable that few of those who criticise, have read, the law of June 17/30, 1910. They resent rather the Imperial order for the payment of a military contribution, and the resolutions passed by the Joint Commission of Russians and Fins regarding the promulgation of general State laws and the scope of general State legislation. There seems to the impartial observer nothing here to justify the academic protests of British and Continental jurists and professors. There is indeed little in the Treaty of Fredrickshamn upon which to found a claim to separate existence, nor can the contention hold that Finland was acquired with the consent of its people in 1809, for Russia undoubtedly obtained the Grand Duchy by conquest, whatever were the wishes of its inhabitants. Finland never had a separate existence from Sweden, and the possession of a separate coinage is no proof of a separate State system.* Siberia possessed this attribute in the eighteenth century, as did Poland, long after she lost her political independence. Nor can a case be made out for tyrannical treatment by Russia. Indeed, in the days of Swedish rule Finland was under an obligation to provide more than 13,000 troops, but under Russia she has provided only 2,000 men until, in 1881, seven years later than Russia, she came under the law of universal military service.

SOMALILAND.

Leaving Finland,* with its thousand lakes, and its glorious summer climate, for "the stark Arabian coast," Somaliland

* "The Rights of Finland," by E. Berendts.

is the next controversial country, and though it is now under the Colonial Office it may most appropriately be treated as foreign in this work. The position in this barren land has been, and is likely again to be, the subject of debate in the House of Commons and in the country.

It has been argued with some force that while we remained in Somaliland we were doing the Mullah no harm and ourselves no good, and we spent a great deal of money. The Coalition Government of Mr. Asquith therefore adopted a policy of concentration and withdrawal, which indeed had also been favoured by its Conservative predecessors. Prior to its being placed under the Foreign Office the Somaliland Protectorate was administered from Bombay and Aden, and at that period the British-Indian Government repudiated responsibility for maintaining peace outside a radius of ten miles from the coast and declined to preserve the tribes from raids or to compose any inter-tribal quarrels. It has been urged of late that a railway should be constructed from the coast to the interior, but obviously this would require a considerable garrison for its safeguarding, and would be accompanied by no guarantee that the present, or any future, Mullah would elect to fight us in such situation that we could use our own railway as our base, and there would, of course, be no commercial return. Nevertheless, the fact cannot be concealed that withdrawal from the interior and concentration on the coast, whether inevitable or not, exposes tribes friendly to ourselves to reprisals at the hands of those who are hostile to any British occupation. Advocates of withdrawal contend that the excommunication of the Mullah by the religious bodies at Mecca is a proof that his influence is reduced to vanishing-point, but it is not altogether conclusively proved that this decree issued from an authoritative quarter, and there is no guarantee that he, or a successor of his, will not again give trouble, nor is it altogether certain that no one will seek to succeed us in this inhospitable region if we withdraw. A foreign Power settled opposite Aden could make things very uncomfortable for us at that important coaling station, and in the Persian Gulf, Egypt, and even on the Indian coast. The

Government of Mr. Asquith sent out, no doubt with specific instructions, an admirable agent, Colonel Sir William Manning, who issued arms to the friendlies, and reported that they could hold their own against their enemies. But there is some reason for thinking that even the qualified peace and civilisation which we have introduced, has had the effect described by the Sikh chief who cursed the

“Boasted progress that hunts our sons to school,
That breaks the sword, that snaps the spear, and bids our courage cool.”

If this be so the outlook for the friendlies is other than promising. Indeed, Sir William Manning, who evidently had instructions to concentrate, withdraw, and get the Government out of its difficulties, nevertheless reported that a period of disorder would probably follow upon withdrawal. It may well be argued that the policy pursued in Somaliland is a reversal of our traditional method of dealing with native races, and is likely to be represented, and not without reason, as the result of the defeat of the British by the Mullah, that Somaliland touches on British East Africa, where we want to keep a good name, that the Somalis are one of the finest and most intelligent races in Africa, over whom for twenty-five years we have exercised a more or less effective protectorate, and the interior of whose country we have administered for ten years, and that no notice was given of the impending new departure in policy, but evacuation was begun before the change was announced. Of course, Somaliland is a troublesome, and in itself an unremunerative, territory, and there is much reason to fear that the policy adopted in its behalf, as in many other matters, was dictated by the necessity, as the Coalition Government holds it to be, of reducing expenditure under Imperial heads of account, in order to devote vast sums to the various processes of “making their calling and election sure,” which are conveniently lumped together under the comprehensive title of social reform. It must, however, be admitted that the policy pursued by the Coalition Government does not widely differ in principle from that laid down by their predecessors, though considerable differences have marked its

execution, and Sir Edward Grey has evidently determined to reduce our responsibilities and make, if the expression may be used, a more spirited withdrawal than would have found favour with the opposite party.

The Under-Secretary of State, Colonel Seely, was justified in saying that "it was an agreed policy to retire from the coast as soon as that could be done without loss of prestige," * but it is by no means certain that this material condition has been fulfilled. It may be argued that the Coalition Government wisely preferred some loss of prestige to a possible or probable expenditure of some millions of money in endeavouring to catch and defeat an elusive adversary, but that there has been some loss of prestige, the extent of which it is difficult to define, could be equally fairly urged in reply.

ILLICIT ARMS TRAFFIC.

Throughout our long hostilities with the Mullah an illicit traffic in arms, in contravention of the Brussels Act of 1890, has been carried on, not only with the Somaliland Protectorate, but with Muscat and the Persian Gulf, where Persian Baluchistan and Afghanistan are brought into the sphere of operations. This traffic it has proved impossible to stop, owing to the fact that the Sultan of Muscat, though directly under the protection of the Government of India, has treaties with European Powers, and notably with France, under which he enjoys complete freedom of commerce, including the trade in arms, in his dominions. All other methods of putting a stop to this trade having failed, the Indian Government recently dispatched an expedition into the country hitherto known as Persian Baluchistan, but which, since Persia has enjoyed parliamentary government, has been practically independent of Teheran, and indeed has been bereft of any rule but that of might among its wild and lawless chieftains.

TURKEY.

As regards Crete frequent interpellations hostile to Turkish supremacy are made by the same group which distrusts the

* Parliamentary Debates, 1910, vol. 17, p. 708.

humanity of the Belgians in the Congo, disbelieves in the disinterestedness of the British in India, discredits the beneficial results of our activities in Africa, and believe that in Turkey a Mahomedan is always a bad man in the wrong, while a Christian is invariably a good man in the right. The spirited action of the so-called Young Turks in the assertion of Ottoman sovereignty in European Turkey has somewhat disconcerted this group with which the Coalition Government has to reckon, in spite of the hardly concealed opinion of its Foreign Secretary that their activities are most mischievous in character. Indeed, but for the notorious fact that the Young Turks enjoyed the friendship and protection of Germany, the Radical-Socialist-Labour group would long since have banned them with bell, book, and candle. The fact that the present Ottoman Government is a military despotism is somewhat difficult of concealment, and there is no reason to suppose it suffers less from interested and mendacious exaggeration than did the administration of the ex-Sultan.

ALBANIA.

There is little doubt that the excesses and cruelties practised by the armies of the Young Turks in Albania are, as the Ottoman Government claims, grossly exaggerated for political purposes, and that the Porte cannot be fairly criticised for insisting that the Albanians shall take their fair share of military duties and of public taxation. No Government could continue to exist which did not put down with a strong hand those who disobeyed a proclamation calling for surrender on a specified date. Nevertheless, the pursuit of the Albanians into their hills, the devastation of their villages, and the hardships inflicted upon these brave highlanders would have called for the concerted action of the Great Powers had a despotic Sultan, and not the Parliamentary Young Turks, organised the operations. There is more in the word Parliament than there ever was in the blessed word Mesopotamia, and a State possessed of any assembly pretending to the name appears to be exempt from the criticism of those bodies which instigate the Great Powers in general, and England

in particular, to intervene in the internal affairs of other countries.

The Austrian Government, in its capacity of self-constituted guardian of Christians in the Ottoman Empire, is believed to have intervened in the middle of 1911 on behalf of the Albanian insurgents, and a feeling prevails throughout Europe that that Government is not unwilling to adopt the attitude of the Austrian Press, and say—

“Europe will have no rest until the eternal Balkan crises are radically solved once for all, and the alien element driven from the site of Eastern Rome.” *

The Montenegrins, who are under the special patronage of Austria, if they have not been accomplices in the Albanian revolt, have unconcealed sympathy with the Albanian rebels, while the Czar of Bulgaria is always ready for any intervention which may lead to the aggrandisement of his brand-new kingly crown.

CRETE.

Crete also has occupied the time of our Parliament and the attention of our Press, and the group of politicians, to which reference has more than once been made, has invariably encouraged the insubordination of this insignificant island, of the inhabitants of which, as St. Paul † tells us, Aratus wrote—

“*κῆρες αἰὲ ψεύσται, κακά θηρία, γαστέρες ἀργαί.*”

Whether or not they ever deserved such bad words, it may at least be said that they are no more deserving of the sympathy of Europe than their lawful masters the Turks.

Sir Edward Grey, when the Foreign Office vote for 1911 was discussed in Parliament, ‡ said that while anxiety on the part of neighbouring countries was not unnatural, steps to limit the area of disturbance resulting from the condition

* *Vaterland*, June 10, 1911. This was one of those journals which, like *Freudenblatt*, played so active a part in the agitation of 1906, which preceded the annexation of Bosnia and Herzegovina in 1909.

† Epistle to Titus, i. 12.

‡ Parliamentary Debates, July 28, 1911.

of affairs in Albania could not be initiated by us—a welcome intimation, as was his assurance that the Great Powers have no desire to be drawn into intervention in Turkey.

In this behalf the Coalition Government of Mr. Asquith has, like its predecessors in office, acted in conjunction with the other protecting Powers (France, Austria, and Italy) to discourage the extravagant pretensions of the Cretans, to maintain the suzerainty of the Sultan, the protection of the Mussulman inhabitants, and the furtherance of the government of the island under an autonomous regime.*

The four Powers hold the island in trust, and continue to maintain the obligation of preserving the supreme rights of Turkey†, and the substitution of a veiled military despotism for an avowed autocracy has, of course, strengthened the hands of the Ottoman Porte and its reputation in certain previously unfriendly quarters. Austria took Bosnia and Herzegovina from the Turk when he was unable to resist aggression; but there is no doubt that the Turkish Government will now prove perfectly capable of suppressing revolt in Albania, Macedonia, and Crete, if other Powers do not intervene in the interests of the revolters.

Turkish territory is still the storm centre of the Near East, though intervention seems for the moment to be out of fashion. It really is as necessary now as ever to keep the Turks in, if the Russians are to be kept out of, Constantinople. Greece is an impossible heir, partly because of the unwarlike character of her inhabitants, and partly because she has no friend in Europe except Great Britain, whose friendship falls short of fighting on her account.

Austria can hardly stretch to Constantinople, even if internal tension allows her to retain her present widely scattered and heterogeneous dominions. If Bulgaria succeeds to the Turkish inheritance she will only rule as the obedient vassal of Russia. Meantime Turkey maintains a huge army on a war footing in order to keep the Mahomedans and Christians from killing each other, and to preserve peace in Macedonia, which is

* Parliamentary Debates, 1910, vol. 17, p. 1199.

† *Ibid.*, 1909, vol. 8, p. 651.

harried by Christian bands, half robber, half patriot, and wholly anti-Mahomedan.

This army may be destined to play a considerable part in the politics of the Near East, but there are insufficient grounds for the theory which ascribes to the late Sultan a policy of bringing about a combination of all the Mahomedan communities in the world into a formidable Pan-Islamic opposition to Christianity and Christian civilisation. Indeed, the Mahomedans of Morocco, Persia, Afghanistan, India, and China are altogether outside Ottoman influence.

EGYPT.

To pass from one to another Mahomedan country. Many features of the situation in Egypt recall those of the unrest in India. There is the same violence and unscrupulousness in the native Press ; the same insubordination and sedition in scholars and teachers ; the same clamour for clerkships and higher appointments ; the same impatience of a foreign ascendancy ; the same reliance upon the Little England attitude favoured by the new democracy, and, to the ear at any rate, by the Coalition Government of Mr. Asquith ; the same delay and indecision in bringing criminals, claiming to be political offenders, to justice ; and the same forgetfulness of the misery and oppression which preceded British rule. There is, however, no Brahmin class, with its incalculable hold over the minds of the inhabitants, with its inherited capacity for statesmanship, and no freedom of action for making experiments in self-government, representation, and parliamentary or quasi-parliamentary government, such as we possess in India, for in Egypt we have become the trustees of Europe, which is unwilling that " the gift of the Nile " should become the spoil of the agitator. And Europe may well resent concessions to popular, or seemingly popular, clamour, which are injurious to the majority in Egypt, and indeed among other European Powers induce doubt as to our good faith, which is not dispelled by a study of the attitude assumed, not only without rebuke, but to some extent with encouragement in high places, of a group of Radicals, Socialists, and Irish Members. It is, or should be,

well known that evacuation was impossible, that the abandonment of evacuation was distasteful to France, that from 1883 to 1904 Lord Cromer worked for a solution of this dilemma, and after overcoming many and great difficulties, by him it was eventually solved by the Anglo-French Agreement of 1904.

In 1910 ex-President Roosevelt, after visiting many parts of British and other Africa, including Egypt, was granted the freedom of the City of London, on which occasion he dwelt upon "the wisdom of disregarding the well-meaning but unwise sentimentalists who object to the spread of civilisation at the expense of savagery," compared independence and self-government in the Sudan with "independence and self-government in a wolf-pack," and "as an American, a Radical, and a real, not a mock, democrat, protested that the condition of affairs in Egypt was a grave menace to our Empire and to civilisation." And then he used the following memorable words, in which are enshrined a great truth of universal application: "In such a situation as yours in Egypt weakness, timidity, and sentimentality may cause even more far-reaching harm than violence and injustice. Of all broken reeds sentimentality is the most broken reed on which righteousness can lean."* As Mr. Roosevelt said, some nation must govern Egypt if it is not again to sink into a welter of chaos, and as we are there for the benefit of the inhabitants it is our duty to establish order and to treat as unworthy of self-government a people which, if it is to be judged by its press, regards assassination as the corner-stone of this system.

It may be noted in passing that every word of this is applicable not to the peoples, not to any one of the many peoples of India, but to the little band of Brahmins and Babus, who, without even representing their own class and caste, are accepted in Britain as the representatives of that non-existent, but often-mentioned, entity, "the people of India."

Mr. Roosevelt was perfectly justified in his remarks regarding encouragement of assassination. The well-known journal of the Nationalist party, the *Lewa*, never lost an opportunity of attacking the Premier, Boutros Pasha, both as a Coptic

* *The Times*, June 10, 1910.

Christian and as president of the Denshawai tribunal, or of glorifying Indian anarchists and assassins like Dhingra, the Socialists and anarchists, who met in conference at Geneva, and itinerant agitators, who were unfortunately members of the British Parliament, who have encouraged the aspirations of the half-educated proletariat. The Denshawai affair provided powder and shot for many an attack in Parliament upon the British administration by Irish, Labour, and extreme Radical Members.

As in India, so in Egypt, a licentious Press has incited half-educated enthusiasts to assassination, and the British Agent, the late Sir Eldon Gorst, did not scruple to indict the Nationalist leaders as morally responsible for the murder of the Prime Minister, Boutros Pasha, and after the submission of his report dealing with the events culminating in that odious and senseless crime, and the tonic supplied by Mr. Roosevelt's Guildhall speech, measures were taken, far more effectual than any yet adopted in India, to repress sedition and agitation in educational institutions, to break up secret societies, to afford a speedy means of deporting, and otherwise dealing with, offenders, and to curb the licence of the Press. But three measures laid before the Legislative Council were only enacted by the Council of Ministers in the teeth of the opposition of the former assembly, which unequivocally took the side of the irreconcilable Nationalists.

A speech made upon his assumption of office by the late Sir Eldon Gorst, probably under instructions from the home Government, in which he said we would only remain in Egypt till the Egyptians were fit for self-government, may be said to have been the beginning of the troubles, which came to a head in 1909-10. There is no need on this account to ascribe to Sir Eldon Gorst, a zealous, able, and courageous public servant, any personal responsibility for what is unsatisfactory in the present condition of Egypt. The policy of associating the Egyptians to a greater extent in the administration was indeed begun by Lord Cromer, and was only continued and developed by his successor. It was thought, erroneously as it proved, that though the Government might become less

efficient, it would in this way become more popular ; but we are now less feared and more disliked than we were by the English-educated class we have created. The very unnecessary submission of the agreement between the Government and the Suez Canal Company to the National Assembly gave that body the opportunity of exhibiting its anti-British feeling, and the agreement had no chance of being considered on its merits. Sir Eldon Gorst reported that the action of the General Assembly was characterised by an entire lack of confidence in the intentions and good faith of the Government, and that British financial and commercial interests were adversely affected ; but Sir Edward Grey * declined to take any steps to enforce the adoption of the agreement, on the, under the circumstances not very convincing, ground that intervention could only be effected in the interests of Egypt.

Meanwhile affairs in Egypt have attracted attention in other quarters. British policy has been persistently and consistently attacked in the German Press, and indications have not been wanting of the activity of German capitalists, such as heralded in Turkey the initiation of that political, rather than economic enterprise, the Baghdad Railway ; while the rank of Minister Plenipotentiary has been conferred upon the German Agent in Cairo. In fact, it might fairly be stated that German influence increases day by day in the land of Egypt,† while the weak and nerveless attitude of the British administration towards the revolutionary, or so-called Nationalist, party impairs the firm position it had formerly occupied. At the same time, British capital, so necessary for development, has been naturally shy of visiting a country in the throes of political unrest, and in 1910, for the first time for nearly twenty years, Egyptian Unified Stock fell below par, while considerable difficulty has been experienced in obtaining repayment of advances made by the Agricultural Bank of Egypt, owing to the action of agitators who predicted early evacuation by the British army of occupation.

* In answer to Sir J. D. Rees, July 4, 1910.

† An officially subsidised daily German newspaper, the *Ägyptische Nachrichten*, was established in October, 1911. No similar English organ exists.

Egypt, like India, is a touchstone whereby to test the capacity of a democracy for governing an Empire, in which those who have taken any part in the task, will not feel the greater confidence, now that payment of Members of Parliament has been adopted by the Coalition Government. Nor is the insistence by democracy, or rather by those who till now arrogate to themselves its special representation, upon the application of British methods to Oriental countries, and upon the introduction of our own system of education, of happy augury, seeing how great a failure has hitherto attended this policy in India and in Egypt, in which latter country our task has been the harder and our failure perhaps the greater, because we work through agents who are not possessed of executive authority. It is in education that we have chiefly failed, and it is in respect of this all-important branch of administration that we most need to act in accord with local environment, local tradition, and local requirements, abjuring above all things adoption of European unsectarian and conventional standards.

Not only are the Egyptians utterly unfit, as they themselves have proved, to govern themselves, but how is self-government possible in a country, in which all important laws have to receive the consent of seventeen different Powers of Europe? None of these Powers would waive their rights, unless the administration of Egypt was actually in the hands of one of the great European Powers, and all, including the English in Egypt, would scout the idea of yielding an inch in regard to capitulations, or anything else, if they saw Egypt on the threshold of a great and rapid expansion of native Parliamentary institutions. The creation of an impression to this effect was the great mistake made since Lord Cromer retired from the office he held so long with such advantage to the cause of civilisation and good government in what ceased in his time to be the House of Bondage.

PAN-ISLAMISM.

The Pan-Islamic movement, which need not necessarily be anti-British, is a force with which Britain must none the less

count. It is really but one of many phases of the Asiatic awakening, which Japanese victories have so much advanced. All Asia, including all Islam, rejoiced to see an Asiatic, defeat a first-class European, Power. But when the Government of the day in England inclines a favourable ear to, or at the least abstains from rebuking, the ignorant and bigoted abuse showered in Parliament upon Mahomedan rulers and Mahomedan rule, a hostile feeling must naturally be engendered and perpetuated. The stream for the moment has dried up, and with the deposition of that most astute and able ruler, Abdul Hamid, Ottoman rule is no longer so strongly animated by that steady, unswerving purpose of bringing into closer and mightier cohesion the whole Mahomedan world under one sceptre, which was the chief feature of the late Sultan's rule.*

THE CONGO.

Amongst the subjects connected with the foreign department, which have been frequently debated in the country and in Parliament, and upon which a distinct difference of opinion exists, is that of the Congo. The extremer the Radical the more determined he is to force the hand of the Belgian Government, and he does not stop to reflect that the intervention of Belgium in this vast and savage region has already sensibly leavened its inhabitants with at any rate some slight flavour of civilisation, or that the Belgian people are no less humane and at the least no less anxious than we are that the administration of their African possessions should be a credit to their nation. So oblivious of the facts are these breathless philanthropists that while they vote one day for reducing the naval estimates, and hampering the War Minister in his thankless and desperately difficult task of providing for the defence of the country, on the morrow they are prepared to go to war with Belgium and Germany in order to prevent mutilation and cruelty in a region in which the lopping of a limb has for ages been the common punishment for theft and other offences, and in which cruelty is so much a matter of course, that until the

* "Pan-Islamism," by V. Chirol, Central Asian Society, November 14, 1906.

advent of the Belgians it was not regarded as an evil. Free Churches pass resolutions condemning forced labour, one of the most time-honoured of the customs of the country, though Radicals protest that the foreign possessions of European Powers should be administered in accordance with native methods. The British Government has been urged again and again, in and out of Parliament, to withhold its consent to the annexation of the Congo by Belgium until complete reform is effected. No date is assigned for the realisation of this pious aspiration;* but as England is held by the party which supports the Government, to need reform at the present day in respect of everything except her tariff, thousands of years must elapse before the Congo qualifies, according to British standards, for annexation by Belgium.

The resolutions passed by various Churches and associations are wholly lacking in humour, when they commence by professing cordial goodwill towards the Belgian people, which they then proceed to condemn, root and branch, lock, stock, and barrel, as wanting in an elementary sense of humanity.

It is quite probable that Belgium has derived somewhat more revenue than is justifiable from its vast Central African territories, but there are not wanting Members of Parliament who say the same of the British "drain" from India, and are equally ready to charge its agents with all that inhumanity which, according to them, is the inevitable equipment of the representatives of the Belgians in Africa. The Belgian Government proposes to restore freedom of labour and freedom of trade within three years in the territory under the direct control of the State, but it does not apply this counsel of perfection to districts conceded to foreign companies, with which it proposes to make individual arrangements. Honest and compassionate sympathisers with the inhabitants of the Congo should remember that the credibility of the evidence of missionaries received a severe shock by the finding of the

* The Under-Secretary of State said the Government would wait till the whole of the three zones into which the country was divided had been opened to trade. Mr. Acland in answer to Mr. A. E. E. Gardner in House of Commons, November 23, 1911.

Southern Nigerian Liquor Commission, and that proof of the existence of many maimed and ill-treated Congolese is not identical with proof that their condition is due to Belgian intervention. That there have been abuses connected with the collection of rubber is pretty clear, but it is hardly as clear that the Belgian civil servants, though indirectly responsible, encouraged those abuses.

The Belgian people naturally deeply resent pictures drawn by irresponsible Congophobes for the purpose of misleading English opinion, and the Belgian Colonial Minister, M. Renkin, made an independent journey in the Congo region before he declared that the pictures drawn in England are in flagrant contradiction with the reality. No person acquainted with the elementary conditions of the situation would deny his statement that it is impossible to immediately revolutionise the land system in these vast, unexplored, and thinly populated tracts.

The Belgians now distinctly recognise the right of the native to harvest the products of the soil, but their critics maintain that the continuance of the principle of State ownership of vacant land constitutes a fatal flaw in the Congo reform scheme. Such critics have, however, little or no acquaintance with the position of the State in respect of unoccupied land outside the comparatively narrow limits of Europe, and for the moment they forget that State ownership of land, occupied or unoccupied, is one of the planks in the platform of their Socialist allies. They urge, too, that the exception made in favour of the concessionaire companies is sufficient to inspire doubt of the sincerity of the whole scheme of reform. On the other hand, it is argued by the Belgians that no reform can be immediately carried out over an area half a hundred times as large as that of Belgium, and containing 950,000 square miles, inhabited by 20 or 30 millions of people amongst whom cannibalism and the slave trade still flourish.*

* See Cd. 5860 (1911). Mr. Thurston, Vice-Consul in Kasai, reported that the former *régime*, to the continuance of which the ill-treatment of natives may be attributed, is undergoing a radical change, that the Government decrees are being sincerely interpreted, but that the results of the past cannot be wiped out in a day. He noted a great improvement on the conditions described by Consul Thesiger in 1908.

If the whole area of the Congo were at once thrown open to freedom of trade, all concessions would be useless until arrangements were made for the effective protection of trader against the native and of native against the trader, who may debauch him with drink and take his produce at unremunerative rates. It must be remembered that the area now opened up includes the country adjacent to the great waterways, and to the possessions of other European Powers, which alone is now accessible to traders; that to throw open the whole area to unrestricted commerce would be practically to favour the creation of fresh monopolies, and that the concessionaires have legal and transferable rights which must be respected by a civilised administration. The Government of Belgium also asserts that forced labour has already to a great extent been abolished. In Belgium the good faith of their rulers is not denied even by the party which has arraigned the past misgovernment of the Congo. It cannot be too clearly understood that responsible statesmen in Belgium assert that accusations of cruelty and oppression brought against Belgian Colonial administration are utterly unfounded, and that the persistent reiteration of these charges is deeply resented. In short, the Belgians would say it is "righteousness," and not self-righteousness, "that exalteth a nation," and their Court of Appeal in the Congo* confirmed the sentence passed in 1909 on Lieutenant Arnold of twelve years' penal servitude for complicity in the Monegalla outrages.

The British Government makes much of the necessity for recognition, but the Belgian Government holds that neither international law nor existing conventions require such formality.

THE BAGHDAD RAILWAY.

A matter, unlike the Congo, of real importance to Great Britain is the Baghdad Railway. Since the British Government in 1903 declined to take any hand in the proposals for the Anglo-Franco-German construction of this line, the conditions of the Middle East have been entirely changed as

* *The Times*, July 28, 1911.

regards the relative positions held by Turkey, Germany, and Great Britain, and as regards the position of England in Persia, which has been greatly prejudiced by the withdrawal of Western Persia and the northern shores of the Gulf from the British sphere of influence.

This arrangement, like most others of contemporary date, will inevitably make for the greater aggrandisement of Germany, and the Power which controls the Gulf section of the Baghdad Railway will necessarily dominate South-West Persia and to some extent menace the security of our Indian Empire.

The interests of the British Government in this project are twofold. We have commercial and economic interests in every section of the railway—from the Mediterranean to the Persian Gulf; and political, strategic, and Imperial interests in those sections which are in the neighbourhood of the Gulf. As to the first, over almost the whole of the area covered by the railway British trade is predominant. We have to see, therefore, that British trade shall not be subject to any differential treatment in the future. A mere clause in the statutes of the Railway Company prohibiting differential rates is not sufficient, for it would be comparatively easy to frame a tariff favouring categories of goods which come mainly from Germany, as opposed to goods coming mainly from Great Britain and India.

As Lord Morley said in the House of Lords in March, 1911: "People do not yet recognise how enormous are the issues involved, how enormous is the area involved. The Government fully realise that British trade interests in these regions are of real and enormous importance."

Lord Fitzmaurice, who represented the Foreign Office, speaking in 1906, said the Baghdad Railway was one of the greatest questions of the times, and occupied the same position in the Oriental world which many years ago was occupied by the making of the Suez Canal.

The line has so far not been constructed beyond the Taurus mountains, and capital must be raised before real progress can be made with the next most expensive sec-

tion, in which much tunnelling, cutting, and bridging will be necessary.

The need for further capital is urgent and immediate, but the assent of England and France is necessary to an increase in the Turkish customs duties, without which money for a guarantee can hardly be raised, and this assent probably cannot be got without some compensation. Although a good deal of French capital is already through underground channels employed in the project, the Government of France has not yet admitted Baghdad Railway stock to an official quotation on the Paris Bourse.

Every increase in Turkish customs falls mainly on British commerce, as we supply three-fifths of the trade on which these duties are levied, while at the same time we are the only Power which gives Turkish products free admission to its home markets. It is therefore by no means clear why the English should be asked to agree to an increase in customs in order to facilitate the construction of railways whereby a German army corps could, if necessary, be poured into Syria within two weeks of the declaration of war, to say nothing of the probable effect of the completed project on our position in the Gulf and in India.

Under the kilometric guarantee system on which the line is built, the remuneration being the same for the easy as for the difficult sections, it paid the Railway Company to stop on the western side of the Taurus.

It is pretty certain that the construction annuities leave a very substantial balance to the promoters; and under Article 35 of the Railway Convention, until the gross receipts per kilometre reach 4,500 francs, or £180, per annum, the difference between that sum and the actual gross receipts will be made up to the Company by the Ottoman Government. It is obvious that under this arrangement there can be no loss to the Company so long as the gross kilometric receipts are kept down below £180. Their interest, therefore, is to discourage traffic, and take the balance of profit on construction without running any risk of a counter-balance on working expenses, because, when once a profit of £400 is reached, the excess above that amount is

divided in the proportion of 40 to the Company and 60 to the Government, an arrangement unusually favourable to the latter party to the agreement.

The amount might well be considered excessive, but, on the other hand, a guarantee of some sort, which is found necessary in India, is far more indispensable in Turkey to the introduction of foreign capital.

The construction guarantee provides that the Turkish Government shall pay the Company £10,764 of 4 per cent. Government bonds for each kilometre completed, according to a stringent specification, for which amount, worth about £8,500 in cash at present, rolling stock also must be provided. Though this sum left a large margin on the easy Konieh-Eregli, it will be quite insufficient on the Taurus, section, which has next to be made, and it is doubtful if a profit of more than 15 per cent. will be realised on the whole length—not such a very excessive rate when the risks of investment in Turkey are considered.

It would appear, then, that the severe strictures passed upon the greed and extortion of the promoters are hardly justified upon a dispassionate consideration of the facts. A great deal of superfluous sympathy is, however, as is usual in England, expended upon those who either are, or consider themselves to be, quite capable of looking after their own interests.

It must never be forgotten that the Baghdad Railway is a German concession in Turkish territory, which originally provided for the construction of a railway reaching from the heart of Asia Minor to some undefined point upon the Persian Gulf.

This point is generally regarded as Koweit, and indeed it is hard to say what other place would offer the requisite accommodation.

The British have, however, hitherto exercised a practical protectorate over the Sheikh of Koweit, and the promoters of the Baghdad Railway acknowledged his independence by sending an unsuccessful mission in 1900 to ask him for a concession for a harbour. The Turks, when the prospect of the construction of the railway became known, endeavoured to assert their dormant, if existent, suzerainty.

In 1901 the senior British naval officer in the Gulf expelled

from Koweit Harbour, a Turkish corvette with troops, and when that town was threatened from Central Arabia, it was Great Britain which saved it from destruction. It appears that the Turks have succeeded in encroaching upon the outlying portions of the Sultan of Koweit's dominions; but there is little fear now of the reassertion of any claims to Koweit itself from this quarter, unless Germany should claim "compensations" in the improbable event of England's extending her influence or augmenting her territory in any direction.

Under the original agreement only general rights were enjoyed beyond Baghdad, and the choice of a terminus was expressly reserved for special agreement between the Company and the Turkish Government. Words would be wasted in proving that Great Britain should have control over the Gulf section, for nearly 90 per cent. of the trade to Baghdad is British and Indian, and large numbers of Indian subjects visit and live at the neighbouring holy places.

But while there are unanswerable reasons why England should have the chief control in the Gulf section, there are more good reasons why she should prefer that no railway through Turkey should reach the Gulf. It is by no means certain, indeed it is hardly likely, that the construction of such a line would increase our trade; it would probably never pay, and it would bring other nations to what is practically as much a British, as the Caspian is a Russian, lake.

Now that Germany has arrived at an understanding with Russia, as regards railway spheres of interest, she is free to push her wares in Central and Southern Persia, and with the aid of the Baghdad Railway and by manipulation of rates she will be able to compete successfully with British goods. Germany, and Turkey under her auspices, are already commencing to compete with Russia in Northern, and with England in Southern, Persia, and Turkey's hold on her more distant eastern provinces will be immensely increased by the completion of this politically important enterprise.

Besides a branch of the railway from a point near Baghdad to Khanikin, the entry to the Kermanshah route into Persia, which it is settled shall be made, branches to the north have

been contemplated from Mosul, Nisibin, and Harran, and the Ottoman Government has entertained the idea of a line from Trebizond to Erzerum. These projects have, owing to the direct or indirect influence of German official or unofficial agencies, been abandoned, to the satisfaction of Russia, which thus postpones the approach of a strategic railway towards her frontiers.

Sir Edward Grey has stated that England can successfully demand guarantees of equal treatment and the absence of preferential rates. It can only be hoped that he is justified in this pronouncement, but our fate under similar circumstances in other directions does not inspire a firm hope that he is right.

As regards the Baghdad-Khanikin section, when the Russian railway is complete from Teheran down to the frontier, the whole of the trade of Northern and Central Persia, so far as it goes down to the south by the customary caravan route to Bushire, will probably be diverted to the new line. Hence the importance for the protection of British trade of the branch, for a concession for which the British Government has applied, from Burujird southwards to the Gulf. This route would have a very great advantage over that from Bushire to the interior by way of Shiraz and Ispahan, which is one of the worst tracks in the world, and by its adoption British goods for Persia would not need to enter Turkish territory, as the line would run through the whole length, north and south, of the sphere which was left neutral under the Anglo-Persian agreement. This railway would also connect with the contemplated Russian line from Teheran to Khanikin, to which place a branch of the Baghdad Railway will be constructed.

It is not likely that this British concession can be refused in view of the autograph letter of Nasr-ed-Din Shah of 1888, in which he declared "that his former promise with regard to the priority of the British Government over others in the construction of the southern railways held good, that certainly whenever a railway concession in the north was given to others, immediately a concession for a railway from Teheran to Shustar

should be given to an English company, and that no southern railway concession would, without consultation with the British Government, be granted to any foreign country." These explicit assurances were confirmed in 1900 by Muzaffer-ed-Din Shah, are in full force to the present day, and are not likely to be repudiated so long as Great Britain and Russia act in accord.

Owing to the fact that the greater part of the northern shore of the Persian Gulf is declared to be a neutral sphere under the Anglo-Russian Convention, it is by no means impossible that if Germany controlled the Gulf section of the Baghdad Railway, German policy might contemplate the extension of the line from Busra along the coast of the Gulf to, or beyond, Bushire. It is obvious that Great Britain should carefully watch all developments of this far-reaching proposition, though Russia, which was understood to regard the whole scheme with disapproval, may have been, and obviously has been for the moment, pacified.

True it is that the German concessionaires have now renounced the right they had under the original concession to construct the section from Baghdad to the Gulf, for the good reason that funds are obviously not likely to be forthcoming for the completion of the whole length. But new conventions were signed in the spring of 1911 dealing with the construction from El Halif to Baghdad, and with a new branch of 38½ miles to Alexandretta, to which no kilometric guarantee is attached. This compensation for the renunciation of the Gulf section is more than sufficient, for it will probably draw to the Mediterranean, by the new route, all the traffic which now goes to Baghdad and southwards to the British sphere of the Gulf.

The concession for the Baghdad Railway covers a period of ninety-nine years, but its life will be longer, because the terms run from the dates on which the bonds in connection with the different sections are issued.

Amongst the minor concessions and exemptions comprised in the original scheme was included the right to found a port on the future terminus at the Gulf, and an unrestricted right

of navigation in the Tigris and Euphrates, to exclusive control of which the Turkish Government now puts forward a probably untenable pretension.

It is said that the stipulation which found place in the original concession, to the effect that the Gulf section should not be begun until the line was completed as far as Baghdad, was insisted on by the ex-Sultan Abdul Hamid, for the express purpose of keeping Britain back till Germany was well established in the Mesopotamian capital.

The Turkish Government believe, it is said, that the line will be completed within five years as far as Baghdad, but this is probably an altogether over-sanguine estimate.

The conventions created in 1911 between the Ottoman Government and the Baghdad Railway Company are four in number.

The first makes financial provision for the construction between El Halif and Baghdad, the second gives the Company the right to build a branch to the Mediterranean at Alexandretta, the third gives power to the Company to construct a new port at the same place, and the fourth relates to the continuation from Baghdad to Busra and to the Persian Gulf. There can be no doubt that the acquisition of the port of Alexandretta is a serious matter, for the Germans, as Mr. Lynch pointed out, have now obtained full and undisputed control of the machinery of transport and connection from the coast of the Mediterranean to the frontier of Persia.*

It is true that the German syndicate at the same time renounced its right to construct the section from Baghdad to the Gulf, and left Turkey free to provide for this section by internal arrangement; but Germany under the scheme is entitled to have a share equal to that of any other Power in this section. The British-built trade on the lower Tigris is no doubt endangered, for Germany will have under her control, not only the trunk railway, but the branch to Khanikin on the Persian frontier, which must divert trade from Busra and the Gulf to Alexandretta and the Mediter-

* *Fortnightly Review*, May, 1911; "The Baghdad Railway," M. Chéradame, Central Asian Society, 1911.

anean. There is also reason to fear that Baghdad itself may, like Alexandretta, be leased to the German syndicate.

It is not known what success has attended the negotiations between the British and Persian Governments for the opening of the Karun Valley by railway, but this is not the only railway scheme affecting Persia now under consideration.*

RAILWAYS TO INDIA.

One proposal is to link Baku on the Caspian with Quetta by a line from the Trans-Caucasian Railway skirting the shore of the Caspian and crossing the Elburz mountains to Teheran, whence it would run through Kashan, Yezd, and Kerman to British Baluchistan. The latter part of this, the Russian scheme, lies through desert, but from the shores of the Caspian to Kerman is an easy alignment which admits of diversion to Bam and Bampur and thence to Kotri on the Indus or to Karachi.

Russia, however, might prefer to make a line from Teheran to Mashad, whence it would be easy to link up with her system in Turkestan.

Of course, it remains to be seen whether Germany can, without British help, raise money for the farther prosecution of the Baghdad Railway, but until this great project is more actively prosecuted than it is at present, Russian railway schemes in Persia will probably not be stimulated into great activity, and Germany cares less about Koweit, but confidently looks to tapping Persian trade through the branch from Khanikin to Baghdad.

In 1903 the position very generally adopted was that, with the Baghdad Railway, and particularly the Gulf section, under the control of the greatest military Power in the world, the British position in Egypt would be enveloped, the route to India would be turned, and Persia would be bound to a Power far more to be dreaded and far more formidable, in fact, than Russia.

The disposition now is to disregard these apprehensions, and

* "Railways in the Middle East," H. F. B. Lynch; "Proposed Trans-Persian Railway," by Colonel Yate.

to doubt whether this railway will ever be used as an alternative to the present sea route to India, since a sea journey of over 1,100 miles is inevitable; the climate of the Gulf is worse than that of the Red Sea, the mail service by the latter route admits of considerable acceleration, if competition supervenes, and for goods the longer sea line must always be the cheaper.* India therefore is less directly concerned than might be supposed, but the effect of the intrusion of Germany into the Gulf would be most unfortunate and indirectly disastrous. Now, however, that the Gulf section is withdrawn from the German concession, a means of accommodation is afforded. But if British capital makes, or participates in making, this section, which can only pay, if the Mesopotamian irrigation schemes mature, Britain must decide upon the location of the terminus, whether it should be at Busra, forty-five miles up the joint Tigris and Euphrates, or Shat-el-Arab, or preferably at Koweit, the only natural harbour on the Gulf, situated a little to the south of the mouth of the river. The Koweit question brings us into direct conflict with Turkish pretensions in that region, which might yet give no little trouble.

Every consideration points to the wisdom of non-intervention in Albania, wherein the British philanthropists are urging that we should interfere, and wherein our interference would necessarily exasperate the Turks. Sir Edward Grey gave great satisfaction to sober-minded men by saying in Parliament that "the Government could not contemplate the sort of intervention," irritating and ineffectual, he might have added, "which took place under the old regime in Macedonia. The Great Powers of Europe had no desire to be drawn into intervention in Turkey, which would mean the destruction of the new regime and the hopes founded upon it."† There seems happily to be little fear that Great Britain will be persuaded to take a "humanitarian initiative" on this occasion, albeit the "Liberal and Constitutional Committee," which is masked by the Ottoman Parliament, has proved no more

* *The Times* ("British Interests in the Persian Gulf"), July 25, 1911.

† Parliamentary Debates, July 28, 1911.

acceptable to the associations and humanitarians than the "Great Assassin," Abdul Hamid.

MOROCCO.

The intervention of the French in June, 1911, in the internal affairs of Morocco may be fairly held to have been directly within the terms of the Algeciras Act, the Madrid Treaty of 1880, and the Secret Treaty between France and Spain of 1904.* The French, moreover, entered the country by the express invitation of the Sultan, and for the purpose of strengthening his authority, but the Spanish intervention at Alcazar was uninvited by the Sultan, and was a patent breach of the Algeciras Agreement. It was, moreover, so regarded by the tribes.

It is roundly asserted, however, in Radical quarters, which charge themselves with the protection of all non-European nations, that the French expedition to Fez was a wanton exploitation of a meaningless scare arranged by stockbrokers, who deal in Moorish loans, and by armour-plate firms, and as soon as France decided to send troops, Germany instructed her legation at Tangier to investigate the expulsion by the French of a German mining expedition from Debu. Now, Germany handles only 10 per cent. of the total trade with Morocco, as against 40 per cent. in British, and an almost equal amount in French, hands. Cotton goods are the chief imports from England, and the total trade is worth upwards of 2½ millions sterling to this country. The German need for new markets was stimulated by the proposed treaty between Canada and the United States, which must have had the effect of checking their exports. Local interests have accordingly been created in North Africa, as they have been in Asia Minor, upon which diplomatic agreements have been founded, and Germany has practically torn up the Algeciras Act and the Franco-German agreement of 1909, by sending warships to Agadir. She has no valuable rights in Morocco, for the renunciation of which she can fairly claim compensation. No Powers other than France and Spain have other than economic

* No. 24 Treaty Series 1911 [Cd. 5969].

interests in Morocco, and there was no possible justification, other than such as is derived from the law of the strongest, for the demand that France should cede the coast and interior of the French Congo up to the Sanga River, together with French rights of pre-emption in the Congo, as compensation to Germany for loss of rights, which she never possessed, in Morocco. Indeed, Germany expressly recognised as much in her agreement of February, 1909, with France, when she declared that "the special political interests of France are closely bound up with the consolidation of order and peace in the interior," and that she was "resolved not to impede these interests." *

The expedition to Fez was not challenged by Germany, and there can be no pretence that there was any similar justification for the German "demonstration" at Agadir.

By the Anglo-French Convention of 1904 this country recognised the right of France to assist in the administrative, economic, financial, and military reforms of Morocco, and the Algeciras Act recognised the special position of France and Spain in regard to that country, and at the same time declared that order, peace, and prosperity could only be based upon the triple principle of the sovereignty and independence of the Sultan of Morocco and the integrity of his State.

Mr. Asquith† stated in July, 1911 that the French and German Governments were engaged in negotiations to which Great Britain was not a party, and that she would in no case interfere with territorial arrangements considered reasonable by those directly interested. Failing a settlement, we should, however, he intimated, become an active party in the discussion of the situation, as a signatory of the Treaty of Algeciras, under the terms of our agreement of 1904 with France, and possibly in defence of British interests directly affected by further developments. Mr. Balfour added a few impressive and patriotic words, and the occasion was not allowed to pass without a jarring note from the Labour Party, the leader of which for the time, Mr. Macdonald, said that if the path of peace was to be wrecked his friends would stand by peace after it was wrecked, by which presumably he referred to the

* *The Times*, July 28, 1911. † Parliamentary Debates, July 28, 1911.

sinister and odiously unpatriotic threat of a general strike, by which our arms might be paralyzed in case of war, which is one of the articles of the Internationalist Socialist creed.

Finally, in November, 1911, an agreement* was concluded whereby Germany gave France a free hand politically in Morocco. German economic interests in that country were safeguarded, and cessions in the French Congo increased the German Cameroons by an area estimated at from 100,000 to 200,000 square miles. On November 27th, Sir E. Grey, while studiously conciliatory in tone, showed in the House of Commons that Germany had wholly failed to shake the Anglo-French *entente*, that England had expressed her intention of standing by her friend whatever the consequences might be, and he said that "when one nation had the biggest army in the world, and a big navy which it was going to increase, it must do all in its power to prevent a natural apprehension that it had aggressive intentions." Mr. Bonar Law strongly supported Sir E. Grey, whose spirited action met with considerable opposition on his own side of the House, and provoked an open attack by Lord Courtney in the House of Lords. A feature of this incident, which met with universal disapproval, was the bellicose and untimely intervention of the Chancellor of the Exchequer, Mr. George, and the general result was that England and Germany were left in the position of potential antagonism, which they previously occupied.

ALLIANCE WITH JAPAN.

Under Lord Lansdowne's Treaty of 1905 with Japan, England was bound to come to her assistance in war in certain definite contingencies.

The objects of the Treaty were:—

(a) The consolidation and maintenance of the general peace in the regions of Eastern Asia and of India;

(b) The preservation of the common interests of all Powers in China by insuring the independence and integrity of the Chinese Empire and the principle of equal opportunities for the commerce and industry of all nations in China;

* This agreement, ratified by the Chamber of Deputies, on December 20th, 1911, awaits ratification of the French Senate.

(c) The maintenance of the territorial rights of the High Contracting Parties in the regions of Eastern Asia and of India, and the defence of their special interests in the said regions.

In order to carry out these objects the following agreement was made by Article 2, viz. :—

“If by reason of unprovoked attack or aggressive action, wherever arising, on the part of any other Power or Powers either Contracting Party should be involved in war in defence of its territorial rights or special interests mentioned in the preamble of this Agreement, the other Contracting Party will at once come to the assistance of its ally, and will conduct the war in common, and make peace in mutual agreement with it.”

It will be clear that the clauses providing for mutual assistance in war given by one to the other of the High Contracting Parties could not apply when one of such Parties was fighting a nation with which the other Party to the Treaty had concluded an Arbitration Agreement.

The Alliance was accordingly revised and renewed in July, 1911, for a period of ten years from date of signature, its provisions and objects being unchanged except in respect of the omission of stipulations, now unnecessary, regarding Japanese rights in Corea and British rights on the Indian frontier, and of the insertion of the new Article 4, which is given below, viz. :—

“Should either High Contracting Party conclude a treaty of general arbitration with a third Power, it is agreed that nothing in this Agreement shall entail upon such Contracting Party an obligation to go to war with the Power with whom such treaty of arbitration is in force.”

One of the most significant features of the new Agreement is not recorded, namely, the fact that its revision and renewal were carried out after full consultation at the Imperial Conference with the Dominion Premiers, who, it is believed, gave the Treaty their complete support. The renewal of the Alliance causes general satisfaction in Australia, because it gives her ten years in which to strengthen her defences,* in Canada because the practical exclusion of the United States from its operation removes the only serious objection held by

* *The Times*, July 17, 1911.

her to the Alliance, in America because of the acceptance of the principle of Mr. Taft's proposed treaty of arbitration and because of its proof of a friendly disposition on the part of Japan towards the United States.

The *Frankfurter Zeitung* observed * that the Treaty would, in the event of a war between England and Germany, acquire a very real importance; and it is probable no disappointment would have been felt in Germany had the Alliance been wrecked upon the difficulties between England and America, which resulted from the tension between the latter country and Japan.

ARGUMENTS FOR AND AGAINST THE MAINTENANCE OF FRIENDLY RELATIONS WITH RUSSIA.

FOR.

1. Russia is fast adopting Representative Institutions, and her present ruler has created a Parliament, assisted the Parliamentarians in Persia, and established the Hague Conference.

2. The internal and financial administration of Russia is a matter with which we have no concern.

3. As a fact bitter enemies of the Russian Government, against which they are offenders, and by which they have been expelled from Russia, are busily occupied all over Europe in misrepresenting the state of affairs in the Russian Empire.

4. We have important trade relations with Russia, are near neighbours in Asia engaged in the same civilising mission, and our friendly co-operation is most advantageous to ourselves and to the world.

5. Russia and England are both close friends and almost allies of France, and both have occasion to dread the rapid aggrandisement and increasing strength of Germany.

AGAINST.

1. It is not desirable that the British democracy should be associated with an autocratic Power like Russia, which denies liberty of thought, of the press, and of speech.

2. Friendly visits should not be exchanged between the Czar and the King, which would increase the credit of Russia and enable the Russian Government to raise money in London for the coercion of its subjects and the strengthening of autocracy.

* July 15, 1911.

3. The evidence of Russians exiled and persecuted for their political opinions should not be the subject of suspicion. They are martyrs in the cause of progress and liberty.

4. Her Government's treatment of Finland and of the Duma proves that Russia has not sincerely entered upon the path of parliamentary government.

ARGUMENTS FOR AND AGAINST RECENT RUSSIAN LEGISLATION REGARDING FINLAND.

FOR.

1. The unwelcome intervention of foreigners must produce a feeling of resentment, which cannot but express itself in hostility to Finland. The relations between Russia and Finland are of a domestic character, like those existing between Great Britain and Ireland, with which Russia does not attempt to interfere.

2. The Finnish Parliament still predominates in respect of legislation regarding, and the general management of, Finnish affairs.

3. No laws can be passed without reference to the Finnish Senate for opinion, and Finland is duly represented in the Duma.

4. The previously existing constitution of Finland could not survive in its entirety the creation of the Duma and of the Imperial Council, and the changes made, amount to the introduction of parliamentary, and the cessation of autocratic, rule in the Grand Duchy.

5. The opposition to Russia in Finland is Swedish, not Finnish, and does not exist among the latter Nationals.* The Swedish Party have been plotting to wrest Finland from Russia, and have joined in the Russian revolutionary movement, of which the murders of Bobrikoff and Plehve were incidents. The Swedes are only 14 per cent. of the population.

6. The pro-Finnish agitation in Europe was carefully organised by certain anti-Russian and pro-Nihilist revolutionaries from Finland.

7. Russian repressive action dates from the adoption of active anti-Russian measures by Finnish Swedes.

8. Russia cannot be bound by an undertaking only to promulgate laws with the consent of the Finnish Diet, now that that body has adopted universal suffrage. Women cannot run the Russian Empire.

AGAINST.

1. The Emperors of Russia are sworn to respect the internal autonomy of Finland, which has nevertheless been whittled away from time to time by Russian autocracy.

* "The Finnish Revolution," by G. Dobson, p. 11.

2. The abolition of Finnish autonomy will injure Russia in the eyes of Europe, and be regarded as an infraction of the solemn engagement of Alexander I.

3. The Russian policy of unification is opposed to the policy of Alexander I. and his successors.

4. Finland was not incorporated in the Russian Empire, but only attached to it under the personal rule of the Emperor as Grand Duke.

ARGUMENTS FOR AND AGAINST RETREAT TO THE COAST, AND ABANDONMENT OF HINTERLAND OF SOMALILAND.

FOR.

1. While we remain in Somaliland we do the Mullah no harm, ourselves no good, and spend much money.

2. Concentration and withdrawal to the coast was favoured by Conservative as well as by Liberal Governments, but the time for carrying out the policy arrived under the latter administration.

3. The construction of railways into the interior is necessary for continued retention, and the necessary expenditure would be unjustifiable.

4. We have no moral right to subjugate the free inhabitants of the country, who have done us no harm, and we obtained no commercial or other adequate return by our occupation of the interior of this barren land.

AGAINST.

1. Concentration and withdrawal to the coast amounts to abandonment of the country and of friendly tribes, and is fatal to British prestige not only in Somaliland, but in Arabia, East Africa, India, and the neighbouring countries.

2. The Mullah had ceased to be a power in Somaliland, and peaceful occupation was almost in sight.

3. General Manning, who was sent to carry out the withdrawal policy, admitted that the subsequent outlook for the friendly tribes was far from satisfactory.

4. The tribes have no moral right to be independent. They became subject to others because they were not able to govern themselves in peace and order. They profited by the British occupation.

ARGUMENTS FOR AND AGAINST REPRESENTATIVE INSTITUTIONS AND THE LIKE REFORMS IN EGYPT.

FOR.

1. British rule has encouraged education and freedom of speech, and should act up to the principles it adopts by giving the Egyptian people a predominant voice in the settlement of their own affairs.

2. It is not just to educate people and then deprive them of openings for the use and display of the qualifications they have acquired.

3. The people of Egypt are homogeneous, and the difficulties arising in India from the presence of many nationalities under one Government do not exist.

4. The British Government in Egypt has been prone to undue severity, notably in the punishments awarded by the Deanshawai Tribunal, of which the assassinated Prime Minister was President.

5. The rejection by the Legislative Council of the Suez Canal scheme and of various measures of repression followed upon due and proper discussion, and there is no evidence of the unfitness of the Egyptians for the performance of legislative and executive functions.

6. England has protested, on the last occasion by the mouth of Sir Eldon Gorst, that she will only remain in Egypt till the Egyptians are fit to rule themselves, a time which has now arrived.

7. The policy of associating Egyptians to a greater extent with the administration of the country, begun by Lord Cromer, continued by Sir Eldon Gorst, should be carried to completion by Lord Kitchener.

AGAINST.

1. The English in Egypt are the trustees of Europe. Other nations would resent concessions to the clamour of a small minority, which would prove injurious to the majority in Egypt, and to bondholders in Europe.

2. The concessions we have made to a factious opposition have already caused Europe and America to doubt our good faith.

3. Egypt, and the Sudan, in a still greater degree, are unfit for representative government, if indeed there is any proof that at any future time this form of government will be suited to the land of Egypt, which under Britain has ceased to be a house of bondage.

4. The attacks on British administration have proceeded from imponderable agitators, ill-informed and irresponsible Members of Parliament, and from German competing capitalists.

5. The experiments already made in the direction of representative government have been most disastrous, and resulted in the rejection by the Legislative Council of useful and popular measures, in agitation, sedition, and organised assassination.

ARGUMENTS FOR AND AGAINST THE RECOGNITION OF THE ANNEXATION OF THE CONGO BY BELGIUM.

FOR.

1. The Belgians have admittedly greatly improved the condition of the Congo. They are no less humane than ourselves, and wholly to abolish cruelties or uncivilised practices of immemorial use in a short period is impossible.

2. Britain cannot go to war with Germany and Belgium in order to indulge the humanitarian proclivities of those who shut their eyes to the chief factors in the situation.

3. Forced labour, to which particular exception is taken, is an institution established from time immemorial, known of the people, racy of the soil, and impossible of speedy eradication.

4. The evidence of cruelty on the part of Belgian officers is generally, like the evidence upon the abuse of the liquor trade in Southern Nigeria, unreliable, and whenever cruelty has been proved, the perpetrator has been severely punished.

5. The Belgian Government has not asked for, and is under no obligation to seek, formal recognition from the signatory Powers. The United States Government has already implicitly recognised annexation.*

6. The right of the natives to harvest the products of the soil is now admitted by the Belgian administration.

7. Our responsibility under the Berlin Act † is not greater than that of other nations, who are parties to that instrument, and it is neither necessary nor proper to take the execution of the Act into our own hands.

8. The Congo is not a British possession, and no serious alternative to Belgian annexation has ever been put forward.

9. The diplomatic action of England has been more insistent than that of any other Power, and public opinion will not support other than diplomatic representation.

AGAINST.

1. Belgium, through her King, through companies, and now through the Government, has levied and is levying an unduly large toll from the Congo.

2. She does not propose to restore freedom of trade and labour to districts conceded to companies.

3. Serious and admitted abuses have attended the collection of rubber.

4. The system of forced labour still survives almost unchecked, and this is practically slavery.

5. Such concessions of freedom of trade and labour as have been made are practically valueless, owing to the fact that in the districts in which they operate, trusts, in which the Government is interested, hold complete sway, so that no private merchant can compete with them.

6. "The Congo is a territory towards which and its population we have undertaken a most solemn responsibility." ‡

* *The Times*, August 3, 1911, telegram from Brussels.

† General Act of International Congo Conference, 1885.

‡ Mr. Asquith's speech, Mansion House, November, 1909.

7. "The retention by the Belgian Government of the Congo Administration's policy, under which all land is treated as 'vacant,' deprives the native races of all guarantees of future security, and constitutes a monstrous invasion of human rights." *

8. The Congo is called upon to provide emoluments for members of the Belgian Royal Family, and to contribute largely to the upkeep of diverse establishments in Belgium, contrary to all modern conceptions of just Colonial administration.

9. The British Government is pledged not to recognise annexation till it has satisfactory reports from its agents showing that the necessary changes in the treatment of the natives have been effected.

ARGUMENTS FOR AND AGAINST BRITISH PARTICIPATION IN THE BAGHDAD RAILWAY.

FOR.

1. The Power which controls the Baghdad Railway, and particularly the Gulf section, will dominate South-Western Persia and Mesopotamia, and will menace the security of the Indian Empire.

2. British trade and interests are supreme in the Gulf and in certain contiguous regions.

3. As Germany has a claim to equal participation with any other Power in the Baghdad-Busra or Gulf section, and has the concession up to Baghdad, it would be a serious blow to British prestige and to British trade had she no share in the section nearest to her sphere of influence.

4. The completion of the line to Baghdad, with a branch to Khanikin, must divert trade from the Shat-el Arab and the Gulf, which are in the British sphere, and the British should have an interest, with which to negotiate and bargain.

AGAINST.

1. The Baghdad Railway route to India will never supersede the Red Sea route, being hotter and more troublesome, and including also a sea journey of no less than 1,100 miles.

2. The Gulf section, Baghdad to Busra, is no longer included in the German concession, and Britain need not trouble herself about Mesopotamia and Asia Minor.

3. The assent of England and France is necessary to an increase in the Turkish customs, without which no sufficient money can be raised to pay guarantees and interest. Such increase would operate chiefly against British trade, and need not be sanctioned by us.

* "The Future of the Congo," E. D. Morel, p. 59.

4. The Baghdad Railway would never pay as a commercial undertaking, while the German concession for a line to Alexandretta must divert trade from the direction of the Gulf in the direction of the Mediterranean.

5. The less easy it is made for any other Power to approach the Persian Gulf and India the better for the British Empire.

BIBLIOGRAPHY.

Proceedings of Central Asian Society—

Railways in the Middle East. By H. F. B. Lynch. 1911.

The Baghdad Railway. By M. Chéradame. 1911.

Asiatic Turkey and the New Regime. By Mark Sykes. 1909.

The New Regime in Turkey. By Sir R. Hamilton Lang. 1909.

The Future of British Relations with Persia. By H. F. B. Lynch. 1908.

The Finnish Question. By N. N. Korewo, St. Petersburg. 1911.

The Situation of Finland. By Waldemar Churberg, St. Petersburg. 1911.

Finland. By Lieut.-General Borodkin, St. Petersburg. 1911.

The Finnish Revolution. By G. Dobson, St. Petersburg. 1911.

The Rights of Finland. By Professor Berendts, St. Petersburg. 1910.

Return by H.M.'s Agent and Consul-General on Finances, &c., of Egypt and Sudan, Cd. 5633. 1911.

Secret History of the English Occupation of Egypt. By Wilfrid Scawen Blunt.

The Marches of Hindustan. By David Fraser.

The Future of the Congo. By E. D. Morel.

The Opium Trade. By David MacLaren.

An Eastern Miscellany. By the Earl of Ronaldshay, M.P.

The Congo Reforms. By a Belgian Minister.

British Interests in the Persian Gulf. *The Times*, June 19th, July 6th, 8th, 12th, 14th, 22nd, 25th, August 1st, 8th 1911.

Vnutrennoe Samostayatelnost Finlandia. By Prince Esper Ychtomsky.

CHAPTER IV

INDIA

INDIA and its problems have been discussed by many writers in many aspects during the last few years, amongst others by the writer of these pages.* Articles upon the Indian Empire, able and authentic as are all those published by *The Times*, will be found in the special issue of that journal for May 24, 1911.† Pamphleteers, political week-enders, breathless philanthropists, heedless altruists, and empirical politicians of every sort have raced across various parts of the peninsula in the train, and have returned to readily yield to the pressure of those who assure them that an anxious public is impatiently awaiting the appearance in print of their impressions. It is therefore unnecessary to add, as it would be outside the scope of the writer's instructions to attempt, any survey of the Indian Empire. There are, however, certain Indian questions which may be regarded as current and controversial, and to deal with such briefly and succinctly falls within the author's present province.

INDIA IN PARLIAMENT.

Unceasing endeavours are made in Parliament, by the same group which opposes its fellow-countrymen engaged in the service of the Empire all over the world, to drag India into the fatal orbit of party politics. Extreme Radicals, Labour Members, faddists, altruists, sentimentalists, and Nationalists have all got a finger in the Indian pie, and from recent signs and portents it appears not improbable that some of them hope

* "The Real India," by J. D. Rees, M.P., 1908; "Modern India," by Sir J. D. Rees, K.C.I.E., M.P., 1910.

† Republished in one volume under the title, "India and the Durbar."

to extract therefrom the proverbial plum. During the Parliament of 1906-1910 determined efforts were made to support sedition in India, but Lord Morley deliberately declined to damage India and endanger the Empire in order to satisfy those whom he humorously and aptly described as "the simpletons of democracy." * These gentlemen argue that as soon as an ordinary Briton is invested with any authority over subject races, he throws off all humane and upright attributes, and becomes an "oppressor of such as are poor and have no comforter," and they allege that "on the side of the oppressors there is power," and that the poor Indians "have no comforter." It is, of course, the case that great cruelties were practised by the Spaniards in South America, and that the English, like other Europeans, when exempt from supervision and the pressure of public opinion, might develop a haughty and tyrannical attitude towards subject races;† but the history of India at any rate offers no justification for any such theory, and the inhabitants, with the exception of those who organise or join the present seditious movement, have testified by their attitude to the fact that they regard the British as eminently just and impartial rulers. At the present day, and any time during the last twenty-five years, English administrators in India, so far from being exempt from criticism, have been subjected to the most searching and unfriendly inquisition on the part of certain organs of the vernacular Press, all of which are habitually scanned by officials (of whom the writer was one), whose duty it is to bring to the notice of the Government any reflection, justifiable or unjustifiable, on the conduct of public officers. Not only does this safeguard exist, but surely no public functionary ever lived in such a glass house as one who from morning to night is the centre round which

* Parliamentary Debates, House of Lords, June 30, 1908.

† On the date on which these lines were written, exactly one hundred years ago, a Member of Council, an English planter of position in the West Indies, was hanged for having a negro on his estates flogged to death. This is evidence that even a century ago violence to subject races was hardly tolerated by the British Government.

circulate thousands of intrigues, the cynosure of every neighbouring eye, the dispenser of patronage, the wielder of power, the sun around which revolve all the local administrative, financial, judicial, municipal, and social constellations. Lord Lytton, when Viceroy, wrote :—

"I cannot be for one second alone. I sit in my private room, and if I look through the window there are two sentinels. If I open the door, there are two jemadars. If I steal out of the house, I find myself stealthily followed by a tail of fifteen persons." *

INDIAN OFFICIALDOM.

An Indian official cannot cough but an attendant rushes in to know what he wants, and he has far less chance of abusing his power than a public servant in this country, who can do pretty much as he likes, provided no one asks questions about his acts in the House of Commons.

CURRENT CONTROVERSIAL QUESTIONS.

Controversies regarding the administrative division of the old Province of Bengal, and the reforms introduced by Lords Morley and Minto into the Legislative Councils in India, can hardly at the present moment be said to be current, though the latter will inevitably recur.† The only questions which just now can be properly described as current political problems are those connected with the reduction of the Indian army, the conduct and capacity of the Indian police, the abolition of the opium trade with China, the tariff question, the education problem, and the eternal controversy about the so-called drain. The unrest in India has been fully treated in so many books in recent years that nothing more than a summary of the arguments is needed. It is indisputable that great anxiety is felt by those conversant with Indian politics, in consequence of

* *The Times*, Empire edition, May 24, 1911.

† It was nevertheless announced by the King-Emperor on Dec. 12, 1911, at Delhi, that the partition would be cancelled, Bengal and Eastern Bengal reunited under a Governor in Council, Assam again made a Chief Commissionership, a new Lieutenant-Governorship created of Behar, Chota Nagpur, and Orissa, and the capital of India transferred from Calcutta to Delhi.

the action taken in Bengal, no doubt with the concurrence of, or under instructions from, the Indian Government, in making a compact * with certain accused persons in a case of robbery with violence tried before a special tribunal of the High Court. It is an entirely novel and exceedingly ominous feature of government in India, that an agreement should be made to the effect that the accused in a serious crime should, because forsooth they claim to be political offenders, plead guilty on the understanding that they would be released to appear when called up for judgment. At the same time the High Court in Calcutta has played a part, which has unfortunately become habitual in recent years, of opposition to the police and the executive Government. It will be convenient, therefore, to take first the vexed question of the conduct of the police.

THE POLICE.

Dealing with the attacks made in England on the Indian police, it must be remarked at the outset that the latter force is recruited from all classes of all peoples which inhabit all the countries in the Indian peninsula. It has proportionately fewer European officers than any other department, and may therefore be justly regarded as a mirror of Indian administrative capacity or incapacity. The methods of the police which are seized upon by critics are the native methods, and their standards are the native standards of Indian administration. If occasionally they relapse into ill-usage of prisoners it should be remembered that prior to British rule torture was an ordinary and recognised feature of Indian police and judicial administration. Abuse of the force is emphatically abuse of the natives of India, and condemnation of its methods is condemnation of native rule. Yet those who are loudest in criticism profess themselves to be ardent admirers of natives of India and strong supporters of the government of India by native methods.

The evidence of an impartial outsider possesses special value, and fortunately such is not wanting upon this impor-

* Lord Morley in House of Lords, July 19, 1911.

tant question. M. Chailley, an eminent French publicist and deputy, and a distinguished writer upon and student of the government and colonisation of dependencies, published in 1909 his work on the administrative problems of British India.* It is difficult at first sight to account for the fact that Brahmins and Babus connected with the Congress, the boycott, and the seditious Samiti movements, should attack a body so eminently and exceptionally Indian as the police, but the reason is not far to seek. They must take up this attitude in order to explain the assistance the sedition movement has received from Brahmins and Babus of good position, who have time and again been convicted of instigation of, and complicity with, crime. The inefficiency and corruption of the police, who in the proper performance of duty put their friends in prison, is therefore an essential plank in their platform. M. Chailley, however, sympathises with the force and with the executive Government in the difficulties they experience owing to the "exigency of the High Courts in matters of evidence." "The lower tribunals," he says, "which are nearer the native population, and the magistrates of the first instance, who are largely native, know the customs of the country, and content themselves with proofs which rest on what one might call common sense. The superior courts have another standard which often renders conviction impossible." "The executive," he continues, "asks for remedies, and is supported in this by the bulk of native opinion, but not by the Babus, by men of the University and the Bar, or by the Radical Party in England." †

Since this was written the Executive have, however, afforded in the Khulna dacoity case an exhibition of composition with crime which is as novel as it is unfortunate.

Lord Curzon's Commission on the Indian Police, referring to certain cases of torture upon which the accusers of the force had relied, added that "such cases are now rare," qualifying words which the accusers have conveniently

* "Administrative Problems of British India," by M. Joseph Chailley, translated by Sir William Meyer, K.C.I.E.

† Ibid., p. 433.

omitted from their indictments. Indeed, the cases brought forward have generally been garbled and misrepresented for parliamentary consumption, and members of the anti-British group have not scrupled to accuse the Government of India of condoning torture, and the police of making away with a woman convicted of murdering her husband by an experienced European civilian judge and two of her own fellow-countrymen sitting as assessors. Numerous questions on this subject, probably drafted by a syndicate in Calcutta, were put by members of the anti-British group in Parliament; nor did these gentlemen hesitate to suggest that the European police officers in India suborned native members of the force to bring false evidence and make charges against their own countrymen.

HIGH COURTS.

Barristers who have not been appointed judges by Government often appoint themselves judges of Government, and such as are appointed to the High Courts in India have not been conspicuously successful at home. No rising barrister will leave England to spend upwards of a decade on the Bench in India in order to earn a pension of £1,200 a year. The bait is not big enough, but those who obtain these appointments, pitchforked into positions in which they judge subordinate judicial officers (immeasurably superior to themselves in knowledge of the people, the country, its languages and customs), almost invariably fall into the error which attracted the attention of M. Chailley, and become, as the Calcutta High Court has lately become, a stumbling-block and rock of offence in the administration of justice in India. The High Courts, only from written records, presume to weigh evidence better than men who have spent their lives in the country and have personally heard and observed the demeanour of the witnesses. The result of this attitude is becoming daily more and more serious, and the police, who in rural districts are the sole representatives of law and order, are being discredited by the action of judicial bodies, which, to the infinite regret of all who have practical experience of Indian administration, the executive Government has for the first time imitated in the current year (1911).

Sympathisers with sedition, and those who make haste to discredit the force, endeavour to establish a standard of comparison between British and British-Indian police. The proper standard, of course, is the police of another Oriental country, or at any rate of an Asiatic possession of some European Power. By means of garbled quotation, suggestion, and allegation the anti-British party endeavour to establish for the British Indian, a character which in ante-British days did attach to the Indian, police. By such artifices they succeed in obscuring a great triumph of British-Indian administration, the conversion of a rough-and-ready, unscrupulous police into a very fair and improving imitation of the force we have learnt to admire in these islands. They also endeavour to build up for themselves a character for criticism, while they are in fact the catspaws of malign misrepresenters of British rule in India. The same party endeavours to convey the impression in England that the District Magistrate, who is also the head of the police, first of all initiates a prosecution, and then convicts the person prosecuted. The fact is that though the District Magistrate is the head of the police, in the same sense that he is the head of all departments in his district, he is no more the actual chief of the police, and no more participates in the detailed conduct of their cases, than the Home Secretary does in like circumstances participate in police work in London. In dealing with prosecutions, in detecting crime, and in matters of discipline and administration the police have their own departmental chief under whose orders exclusively they work. The object is to make an opportunity for attacking the district magistrate, who is the representative of Government in the different administrative areas. From time immemorial judicial and executive functions have in India been united in an official, corresponding in essentials with our Deputy Commissioner, or Collector and District Magistrate; and it is to impair this functionary's position as the outward and visible sign of British supremacy, and not to improve the administration, that doctrinaire critics, sentimental reformers, and sons of sedition wish to wholly and formally separate judicial from executive functions. The District Magistrate

performs hardly any magisterial work, but it is absolutely necessary that this power should be left to him, since its removal would be regarded all over India as a victory for the enemies of British rule over the Indian civilian, whose position would be seriously impaired by the change. These charges, brought by the self-constituted advocates of India and by anti-British busybodies in this country, find no support in the Indian Legislative Councils, in which attacks are never made on the police similar to those advanced in the British Parliament. No charges of actual misconduct are in either country brought against the British officers in the police, and the suggestion that the Government of India condones torture, because it has not published any order forbidding that which is already a penal offence, is sufficient to show the spirit in which these ignorant and malevolent attacks are conceived and delivered.

It is, no doubt, due in a large measure to such attacks, and to the support they received from the recent action of the Government in Bengal, that the Collector at Tinnevely, Mr. Ashe, was murdered by a Brahmin attorney on June 17, 1911, and that a sub-inspector of police was assassinated at Maimansingh in the same month.

INDIAN CONGRESS.

Unfortunately the Indian Congress, long distinguished for its comparative moderation, has in recent years adopted a hostile attitude towards British-Indian administration, which has given no little encouragement to the half-educated and misguided enthusiasts from whose ranks assassins are recruited.

It may be well, therefore, to quote what M. Chailley says of the Congress :—

“It is a party of theorists, armchair politicians, which to observers from home at first sight appears worthy of sympathy, but from which on closer observation such observer is bound to withdraw a portion of his admiration, if not esteem. It is composed of writers and orators, proud of their knowledge and their caste” (the quintessence, by the way, of aristocratic exclusiveness and family pride such as democrats denounce).

"They are aloof from the mass of the people, of which they have little more knowledge than they derive from the documents brought together and published by that Anglo-Indian Government they tax with selfishness, oppression, and ignorance. The estates of the zemindars of Bengal, who are a bulwark of the Nationalist party, show that these have not ameliorated the condition or even relieved the sufferings of their own tenantry. As a matter of fact this so-called National party is really a party of privilege, a concourse of representatives of the high castes and rich classes, which is really a stranger to the nation on whose behalf it professes to speak." *

REDUCTIONS IN THE ARMY.

To leave the civil for the military arm, although it is openly said in the Indian Press that it is the joint fear of Germany, and not the Anglo-Russian Convention, which has removed the Russian menace, it can hardly be denied that, as the Anglo-Russian Convention has proved successful, the political and military outlook in India has undergone a change, such as might be expected to lead to a demand for reductions in military expenditure from those who urge that money spent upon large armaments in time of peace is money wasted. The fact that only a small proportion of such men and armaments are ever used for other than precautionary purposes increases the obligation of Government, as they say, not to keep them above the necessary standards. One of their concrete suggestions is that several British regiments should be withdrawn, and recalled when wanted. But it is by no means certain that they would in the latter event be available, and a margin above actual needs is indispensable to an army which is called upon to help in any emergency in any part of a far-flung Empire. It may, however, be fairly contended that for merely policing India fewer troops are required, since the armies of the native states, which made for disturbance and disorder, have practically disappeared with the establishment in 1885 of the Imperial Service Movement. But if the strength of regiments is reduced and their establishments maintained,

* "Administrative Problems of British India," pp. 163, 164.

undue expense in respect of officers and in other directions is inevitably incurred, and, unless regiments are altogether abolished, little real saving will be effected.

The army in India now numbers upwards of 75,000 European and 159,000 native troops,* to which should be added 35,000 Volunteers, and 46,000 Reserve and Imperial Service troops, or in all 315,000 men, to protect 1,773,000 square miles, with a land frontier 6,000 miles long. Suggestions have been made from time to time that the relief from tension on the North-West Frontier, which has followed upon the Anglo-Russian Convention, would justify reductions in these numbers, but, as Lord Minto lately said, there is another land frontier problem on the North-East which may develop into something formidable. Again, the calls upon the army in India are not solely made on account of frontier requirements, for Indian troops have been sent to Persia, China, Egypt, and East, and South, Africa, and it is also its duty to maintain internal security. The field army is now composed of nine divisions and eight cavalry brigades, besides troops which in the absence of the field army from India would become responsible for the maintenance of internal peace. War material is now made in the country, and the efficiency of the army, and of its musketry and general training, has reached a high standard. The Indian forces are, however, quite small compared with the armies of our potential rivals on the Continent, and unfortunately they lack proper means of expansion in war time. On the other hand, as a long-service army, that of British India is composed of professional soldiers of high merit.

During the Session of the Imperial Legislative Council in 1910 an unofficial resolution was put forward recommending the Government to order a public inquiry into the increase of civil and military expenditure, in order that economies might be effected, and the Finance Member of Council, in reply, stated that the subject was under consideration. The necessity for effecting savings arises chiefly from the impending extinction of the opium revenue, and also from the necessity for greater expenditure on education, a system of free compulsory primary

* *The Times*, May 29, 1911.

instruction for boys being urged on Government by native members of Council. Indeed, the demand for reduction in army expenditure which proceeds from these gentlemen is the counterpart of the pressure brought to bear on the home Government to provide funds for social reform at the cost of national defence. The same inability to realise that you must keep, before you can improve, your house characterises advanced Socialists and Radicals both in England and in India. Meantime, the raising of more revenue in the latter country is exceedingly difficult unless a tariff upon imports is imposed, of which Lord Minto since his retirement has practically expressed his approval,* and of which general Indian opinion undoubtedly approves.

The minimum strength of the standing army in India was fixed by a Royal Commission after the Mutiny at a figure sufficient for the protection of the British administration, before the acquisition of Burma, when the amount of wealth to be insured and the numbers of the population, and the area to be protected were far smaller than at the present time. Yet the strength of 80,000 European soldiers has never been reached, though it was considered only just enough long before the Russian menace—indeed, at a time when Russia had been severely handled in the Crimea, and before her expansion in the Caucasian, Caspian, and Central Asian regions. Neither was the internal condition of India then so threatening as it now is, nor was Persia a centre of disturbance, nor China in a ferment of reform and regeneration.

Lord Kitchener, when he recently retired, recommended no reduction in the Indian army, and the discovery that it would be the better for the disbandment of certain unsatisfactory regiments suspiciously synchronises with the need for replacing the sacrificed opium revenue. The reduction just now suggested would only be enforced in the native ranks, but the argument that decrease in numerical strength will be counterbalanced by a higher efficiency in the units preserved, recalls the assertions made in England that the reduction of the British army by 18,000 troops, when the Liberals came

* Speech at Central Asian Society's Dinner, May 17, 1911.

into office in 1906, increased its efficiency for war! Of course, if there are regiments of no fighting value their disbandment would not weaken the army, but if indeed such exist, their retention until the present day convicts the authorities of culpable negligence in the past, and their sudden awakening at the present juncture cannot but be regarded as a miracle of opportune coincidence.

Colonel Seely said "that His Majesty's Government did not contemplate any reduction of the British forces serving in India, but were fully prepared to consider favourably any proposals the Government of India might find it in their power to make for affecting such readjustment in the native Indian units with a view to economy as could be carried out without loss of efficiency of the army in India as a whole." *

But the late General Sir Edwin Collen, a distinguished ex-military member of the Viceroy's Council† expressed his deliberate opinion "that no great saving could be made without impairing the strength and reducing the efficiency of the Indian army," and he deprecated the abolition of regiments, which would throw commissioned and non-commissioned officers on our hands for whom pecuniary provision would have to be made; and condemned the reduction as likely to unsettle and disturb the minds of the native troops. At the same time, he took the opportunity to repeat his strongly held opinion that the separate army commands should not have been broken up into divisions, whereby the aim is served of those who wish to make India one nation for the purpose of disputing the mastery with ourselves.

Sir Charles Crosthwaite, another eminent Indian administrator, pointed out that it is dangerous to leave wide areas in India without garrisons, and that the same dependence cannot be placed upon armed police as upon regular soldiers, while a reduction in the native army cannot be made without abolishing most of the smaller cantonments which yet remain. He also expressed a well-founded fear lest the reduction of the native army should lead to subsequent proposals to cut down

* Parliamentary Debates, May 31, 1911, vol. 26, p. 1078.

† Letter to *The Times*, May 31, 1911.

the British strength, the present proportion of the native army and British troops being roughly as two to one, a proportion settled upon adequate political and military grounds.* It may be stated without hesitation that an adequate army in India is far more necessary to the peace and prosperity of the country than the various reforms and concessions of which so much more is made at the present moment. The same argument applies to the army in the United Kingdom, and as Lord Haldane has often contended in the House of Commons that reduction cannot be effected at home while the forces abroad are maintained at existing strength, an uneasy feeling is engendered that when a reduction is made in the native, a corresponding diminution will be effected in the British, army in India, following upon which our already inadequate army at home will be susceptible of, and will surely be subjected to, further unwise reduction.

It should not escape notice that the Under-Secretary of State, Mr. Montagu, during the Budget debate of 1911, in reviewing the departments in view to effecting economies for the replacing of the lost opium revenue, scouted the idea that the military department should be exempt. His words follow :—

“It is said that we propose to cut down the military forces in India. Well, what if we did? Is it suggested that when we are reviewing the expenditure in other departments we should except the military department? If there were no army in India no one would suggest that the army should be made anything but large enough, and only large enough, for the needs of the situation, but simply because the army was devised and organised at other times it is seriously suggested that no modification should be made, and that even though you are searching for economy in every department you should not be allowed to question your military expenditure. I can assure hon. members that the Government does not share this illogical view, but that nothing is, or will be, contemplated that will impair the efficiency of our army for defending and guarding the peace of our Empire.”†

But a recent traveller, who wrote an admirable book on India,‡

* *The Times*, June 6, 1911.

† *Parliamentary Debates*, July 26, 1911.

‡ “*The West in the East*,” by Price Collier, p. 163.

remarks that it will be a miracle if there is no trouble with Germany or in India within ten years.

THE DRAIN.

Closely connected with this, and indeed with every financial question, is that of the so-called drain from India to England.

Opponents of British rule in India assert that the latter country is being drained of wealth owing to her connection with Great Britain, and that this is one of the causes of the unrest which exists. It is admitted by our antagonists, as well as by ourselves, that the need of India is industrial development and diversity of occupation, and that capital, which is not available locally, must be borrowed. Nor will any sane controversialist deny that interest must be paid on borrowed money. The suggestion is that in the case of India, alone of borrowing countries, capital obtained at a very moderate rate of interest is a drain upon its resources.

This subject has been admirably handled by Sir Theodore Morison, and as he points out, that portion of the debits of any country which is not balanced by material assets is discharged by an excess of exports, either of goods or money, so that in order to ascertain the extent of the drain from India, we have to find out what in any given year is the amount of exports in goods or money for which in that year she receives no material equivalent.* The excess of exports of goods and money for which India received no material equivalent between 1899-1900 and 1908-9 was about one hundred and fifty millions sterling, or an average of fifteen millions a year. This figure is taken from the trade return of goods entering and goods leaving India by sea; and if goods received by land were included, the amount of the drain would be slightly reduced. It is said by critics of our rule that the home charges alone amount to an average of over 17½ millions a year, but this figure includes stores, which are imports, and have been taken into account in arriving at the figure of fifteen millions. When these are deducted for the decade under examination the home charges fall to £15,750,000 per annum, or to an amount

* "The Economic Transition of India," by Sir Theodore Morison, 1911.

slightly larger than the estimated drain, the difference being explained by credits India obtained from loans invested in the equipment of modern industry, such as machinery.* India receives, of course, full value for those loans.

Accepting, then, as is inevitable, the recorded figures of the drain at fifteen millions per annum, it is necessary to compare these with similar conditions in other countries. Facts and figures have no significance as isolated units, but only when compared with those of other countries, of which, such as import more than they export, are those wherein industrial development has made such progress that they have surplus capital to lend. Of these England is the most conspicuous example. There are also many countries which export more than they import, and they are, for the most part, those in which industrial development is less advanced. Of this class are the United States, Russia, Argentina, New Zealand and Australia.† It is evident that political conditions have nothing to do with the drain, because excess of exports equally characterises independent States like Russia and the United States, self-governing colonies like Australia, and dependencies like India. These are all alike, however, in being countries of which the resources are still to a greater or less extent undeveloped. It is also evident that the debtor countries which export more than they import are amongst the most prosperous in the world,‡ that they are every year adding to their wealth, and that the payments they make to their foreign creditors cannot with any regard to fact be described as a drain.

India, then, possessing land and labour, but lacking money, borrows the capital it needs at a low rate of interest. Such capital, obtained at $3\frac{1}{2}$ per cent., returns 4, 5, 6 and 7 per cent. in railways and irrigation works, while the fund from which wages and rent are paid is enormously increased, to the incalculable benefit of the country.

* "The Economic Transition of India," p. 197.

† Statistical Abstract for Principal and other Foreign Countries and Statistical Abstract for British Colonies, published by the Board of Trade.

‡ "Economic Transition of India," p. 210.

In the case of the railways, over half a million of the inhabitants make a living on the lines, and the State, after paying interest to its foreign creditors, has drawn a clear profit of eight millions in the ten years under notice, to the great advantage of the community.*

Again, the value of the crops raised in 1908-9 in the area irrigated by works constructed out of loans was 121 per cent. of the capital outlay † (£34,500,000). The prodigious strides a developing country can make with the aid of foreign loans is illustrated by the case of Japan. ‡

If the nature of the Indian home charges be examined it will be found that they are (over and above interest on capital borrowed, and payment for stores) incurred on account of such items as pensions, gratuities, leave allowances, India Office, army and marine. Of the seven millions which might in any way be said to be due to the political connection with England, the whole amount is expended on account of services rendered, and would be paid for such services even if England were not the over-lord of India, except that the amount would be enormously increased for the provision of a fleet to preserve peace, order, and independence. The Japanese Navy is now costing seven and a half millions a year to maintain, while India annually contributes no more than £100,000 towards the upkeep of the British fleet. Moreover, India as a constituent part of the British Empire, borrows at 3½, while Japan pays 4½ and 5 per cent. on her foreign loans. This difference alone more than counter-balances the pensions, gratuities, and other items upon which expenditure out of the country is necessitated, owing to circumstances inherent in British rule.

TARIFF REFORM.—COTTON.

It is not possible to leave this subject without referring to the probability that in the near future the reconstructed Legislative Councils, reinforced by more of the Indian Congress element, will press for protection, and will make a more

* "Economic Transition of India," p. 222.

† "Review of Irrigation in India," 1908-9.

‡ "Economic Transition of India," pp. 207, 226.

effective protest than has yet been raised against the counter-vailing excise on certain classes of cotton goods, an import duty of $3\frac{1}{2}$ per cent. being levied on all cotton, except yarn and twist, and an equivalent excise being imposed on certain competing products of Indian power looms, in order to prevent the import duty acting as a bounty in favour of Indian manufactures as against those of Lancashire. This duty cannot be defended except on the ground, on which the writer voted for it in the Governor-General's Legislative Council, that it is a necessary consequence of India's connection with Free Trade England. No one can argue that it is justifiable, or required, in the separate and exclusive interests of India, which is financially independent of Great Britain. India is, of course, subject, as regards all matters by which other parts of the British Empire or foreign countries are affected, to the necessity of adopting the principles Imperial Parliament prescribes as applicable to all dependencies of the Crown. But this is a principle which will not for a moment be accepted by those who oppose the connection with England, and have been encouraged by concession after concession to hope for complete emancipation.

Lord Minto, since his return from India, has testified to the "extraordinary advance of political thought throughout Asia," and he said "that if we want to create great industries in India, he did not see how it could be done without something like Tariff Reform. It was certain that in the future, and very soon, we should be hearing strong expressions of opinion in India that something must be done in that way to safeguard Indian interests, and it was because he had the welfare of the country very much at heart that he felt so strongly upon this economic question." *

Lord Minto at the same time pointed out that Canada could never have become the great country it now is without a high tariff wall against the products of the United States. It has often been remarked that as India already possesses a small general tariff, the adoption of Imperial Preference would be a much simpler and easier matter therein than anywhere else in

* Speech at Central Asian Society's Dinner, May 17, 1911.

the Empire, for such adoption would not necessarily involve the imposition of fresh taxation, but only the remission of existing taxation on imports from the United Kingdom and the Colonies.* Of course, what the anti-British want is protection for India against all competition, including that of England. It is difficult to say why tea should not have a measure of protection, and it would be quite easy to discriminate between the Indian, Chinese, and Japanese leaf in dealing with this important article of commerce produced by British planters, using British capital, with British-Indian labour in British territory, which at present yields a large return to the Imperial, and no tax revenue to the Indian, exchequer. The arguments of Mr. Lloyd George in the debate on the Budget in 1911, to the effect that to treat our own people better than strangers is to discriminate against foreign nations, is one which, as Mr. Austen Chamberlain retorted, is repudiated by every other Government in the world. It is only comparable with the pusillanimous arguments put forward to the effect that by looking after ourselves and our Colonies and Dependencies, we may offend the Governments of other nations. It is evident that in the internal politics of India economic development will play a large part, and this makes it the more unfortunate that just now the Government of India should have notified that it proposes to repeal, from July 1, 1913, the Act which regulates labour recruitment within the Indian Empire under a system of indentures, on the ground that the tea industry must fall into line with other employers of labour and forego the special law upon which it has hitherto relied. As the chairman of the Indian Tea Association said at the annual general meeting of 1911, "The majority of planters, especially in Assam proper, were probably strongly of opinion that a local Act was required to protect them against outside influence. With the large demand outside for their imported labour, and with large tracts of waste land available for cultivation, the tea planter was surrounded by influences draining his labour force to which other employers were not liable to anything like the same extent." A local Act for Assam is at any rate regarded as a necessity, and it would appear to be indefen-

* "India and Imperial Preference," by Sir Roper Lethbridge, p. 2.

sible that certain wilder tracts should be closed against recruiting for Assam, and open, as would appear to be the case, to the Colonial recruiter.

Nor will the feeling of uneasiness which exists be other than augmented by Mr. Montagu's reply during the Indian Budget debate of 1911 to Lord Ronaldshay, who asked why it was that the doctrine of Free Trade, when applied to India, required vindicating in the case of the cotton industry only—why it was, for example, that fiscal orthodoxy demanded the imposition of an excise duty upon the products of the Indian cotton mills to countervail the duty upon imported cottons, but did not demand the imposition of an excise duty upon the 73,000,000 gallons of home-produced oil annually consumed in India, to countervail the duty of 1½d. a gallon on the 84,000,000 gallons annually imported from elsewhere? To which the Under-Secretary of State replied as follows: "I will only say on behalf of the Government we have no intention of departing from the Free Trade system in India. I will go further and say that as and when opportunity offers we shall take steps to make the fiscal system of India more nearly in accord with what we believe to be the only sound economic doctrine."

Is India really to expect more countervailing duties, and is it wise to pile additional burdens of this sort on the elephant?

EDUCATION.

Among the administrative problems of modern India is that of free compulsory primary education, and Mr. Gokhale, the well-known additional member of the Governor-General's Council, has introduced a Bill to bring about this highly debatable reform. No one denies the advantages of primary education,* but it is a very nice question whether an alien Government should force upon peoples, who do not desire it, universal and compulsory instruction of a character alien in letter and spirit from their own religious traditions, manners, and customs. Would it not be dangerous, under the circumstances, to tax the inhabitants of India for this purpose? It is

* Primary education has just been made free in the North-West Frontier Province with effect from April 1, 1912.

quite beside the mark to point to the State of Baroda, an extremely rich and self-contained principality of small geographical dimensions, 8,226 out of 1,766,642 square miles, and a population of 2,000,000 out of 315,000,000 for India. Baroda is governed by an Indian Chief, who has no international questions to consider, the word international being limited to Indian nations and states only, nor is H.H. the Gaekwar a representative Indian Prince, nor is his principality a normal native state. It is not poverty which prevents recourse to the existing schools, and no one acquainted with the facts will imagine that if all fees were abolished they would immediately be filled. The Minister of Baroda wrote of the figures for the year 1909-10, "State compulsion is by no means an assured success, but a praiseworthy attempt, with an excellent chance of final success." Mr. Gokhale's Bill provides that Municipal or District Boards may, with the sanction of the local Government, levy a special education rate for the provision of elementary education in their areas. This provision is permissive, but it will be difficult for one, to lag behind another, local body, and the result of the passing of the Bill would probably be to lead to the widespread introduction of a compulsory rate and of compulsory schools. It is suggested that a local tax of this character would be preferable to an Imperial impost, because the former would be specially earmarked for its own purpose; but Mr. Gokhale provides also for a large contribution from the Imperial exchequer, and this is the principle upon which H.H. the Gaekwar has proceeded in Baroda.* The Bill has been opposed by the more advanced organs of the Hindu Press, and strong objections all over the country have been raised against the imposition of any cess or tax, especially now that so large a diminution in the opium revenue is being forced on India in order to satisfy the vicarious philanthropy of a highly vocal section of politicians and altruists in England. While Lord Crewe† receives most sympathetically at the India Office a deputation in favour of the Bill, the very sane administration

* July 27, 1911.

† One of the Coronation concessions of December 12, 1911. was the provision of £233,800 for the promotion of primary education.

of the Central Provinces issues a resolution showing how unfair to the general taxpayer it is that Government should pay practically the whole cost of higher education.

OPIMUM.

The mention of opium suggests that a few words may conveniently follow here upon that subject. The opium revenue, which, roughly speaking, amounted annually to five million pounds sterling, is now doomed to early extinction. Under the existing system the cultivation of the poppy is only permitted in parts of the Province of Bengal, part of the United Provinces of Agra and Oudh, and a small area in the Punjab for local consumption. In the monopoly districts the cultivator receives advances from the Government for the preparation of the land for the crop, the whole of which he is bound to sell at a fixed price to the Government agent in order that it may be prepared for the market in Government factories, after which the manufactured product is sold every month by auction in Calcutta, for dispatch to China, only a sufficient reserve being kept in hand to supply the deficiencies of bad seasons. The poppy is also grown in the Native States of Rajputana and Central India, which have agreed to conform to the Government system. They levy varying rates of duty on opium exported from their territories for the China market, which pays the Indian Treasury a duty fixed at present at 625 rupees a chest when the pass is granted at Ajmere, and 600 when it is granted elsewhere.*

The tentative agreement made in 1907 between India and China was on May 8, 1911, followed by a new agreement between the British and Chinese Governments, which follows :—

The British Government, recognising the sincerity of the Chinese Government and its pronounced success in diminishing the production of opium in China during the last three years, agrees to continue the arrangement made in 1907 for the unexpired period of seven years under the following conditions :—

Article I.—China shall diminish annually during the next seven years the production of native opium in the same proportion by which the annual export from India is diminished.

* Statesman's Year Book, 1911, p. 184.

Article II.—China having adopted a rigorous policy for prohibiting the production, transport, and smoking of native opium, the British Government agrees that the export of opium from India shall cease in less than seven years if proof is given that the production of native opium has completely ceased.

Article III.—The British Government agrees that Indian opium shall not be conveyed to any province of China which has effectively suppressed the cultivation and import of native opium. It is understood, however, that the closing of the ports of Canton and Shanghai to the import of Indian opium shall only take effect as a final step for the completion of the above measure.

Article IV.—During the period of the agreement the British Government is permitted to obtain continuous evidence of the diminution of cultivation by local inquiries conducted by British officials.

Article V.—China may dispatch an official to India to watch the opium sales and the packing of opium, but without any power of interference.

Article VI.—The British Government consents to the increase of the present duty to 850 taels per chest, the increase taking effect simultaneously with the imposition of an equivalent excise tax on native opium.

Article VII.—So long as the additional article of the Chifu agreement is in force, China will withdraw all restrictions now placed on the wholesale trade in Indian opium in the provinces. The foregoing articles shall not derogate from the force of laws published, or hereafter to be published, by China to suppress the smoking of opium and to regulate the retail trade.

Article VIII.—During 1911 the Indian Government will issue export permits for 30,600 chests, progressively reducing the number until the extinction of the export trade in 1917. Each chest so certificated may be imported into any Treaty Port in China.

Article IX.—This agreement may be revised at any time by mutual consent.

Article X.—The agreement comes into force on the date on which it is signed.*

The Under Secretary of State for India† said in the House of Commons that during the next seven years the revenue of three millions received by India from the export of opium to China might disappear, but that it would be premature to consider the question of a contribution from the Imperial Exchequer. Mr. Montagu might have said this revenue will certainly cease, but subsequently, on July 26, 1911, he said in

* Treaty Series, 1911, No. 13, Cd. 5660.

† Parliamentary Debates, May 10, 1911.

the House of Commons that the question whether the loss of the opium revenue will involve fresh taxation cannot be definitely answered. He made it clear that the Government looked to economies to balance the loss, and committed himself to the indefensible statement that the Indian people, the tax-payers, were willingly and cheerfully sacrificing in this humane interest a valuable source of revenue. The agreement of 1907 provided for the gradual reduction of the Indian export at the rate of a tenth annually, which would have extinguished the trade in seven years from 1910, but the British Government has now, in 1911, agreed that the Indian exports shall cease in less time, if the Chinese Government proves that China has ceased to produce opium. We have also undertaken to reduce the Indian export by an additional amount equal to one-third of the uncertificated Indian opium in bond in China on a given date, and as there are great accumulations of the bonded drug, Indian exports will be quickly reduced to small proportions. In the interval between the signing of the first and second agreements, the price of opium ruled so high that the diminution in export in no way prejudiced the Indian Exchequer, which now, however, is face to face with the almost immediate extinction of a very profitable source of revenue. It is by no means improbable that the Indian peasant will shortly have to submit to an increased salt tax in consequence of this policy, and not one person acquainted with him will endorse Mr. Montagu's statement that he will cheerfully and willingly pay. The Native States, which have been exporting opium to China for centuries, were no parties to either of these agreements, against which some have protested, and to which all object. There can be no doubt that several States will be seriously affected, and large claims for compensation will undoubtedly have to be met.

The opponents of the opium system in India invariably argue as if "this drowsy syrup of the East" was in itself a thrice damnable thing, the whole and sole effects of which are evil. The fact is, of course, that the medicinal properties of opium are of great value to dwellers in the extensive malarious tracts of India, and an absolute need in many regions of the

hillmen, who without it cannot exist. To such an extent is this recognised that in British-Indian jails humanity makes it obligatory to supply to certain of the inmates a dole of the drug. Malarial fever, which is beyond all others, and infinitely more than plague, pestilence, or famine, the scourge of India, is best combated by doses of opium or preparations derived therefrom, at any rate in certain localities. Nor indeed, even in China, is the abuse of opium greater than that of alcohol amongst ourselves. The Indian Press pertinently asks, Would the House of Commons be so eager to wipe out this trade if the Imperial Exchequer stood to lose three millions a year over the transaction.* In the same direction comment is made upon the support given by Scottish Members to the anti-opium crusade, and to the great influence of Scotland in Mr. Asquith's Government, which, it is openly stated, could not resist the pressure put upon it without alienating some of its most earnest supporters. The net result will probably be that while India will lose three to four millions a year, Persia will gain no small part of this amount, though it is announced† that the Chinese Government has decided to prohibit importation of Persian and Turkish opium from January, 1912. The anti-opium party argue that the Indian Government has already made too much from this tainted source, which it knew must one day run dry. Others point out that as England, which forced India into this traffic, now demands its cessation, it is only fair that she should indemnify the innocent loser. It is astonishing that an English Minister should say, as did the Under-Secretary of State, that there are no indications of unwillingness on the part of the Indian taxpayer and cultivator to endorse the anti-opium policy of the Government, for there cannot be a single official at the India Office who does not know that the voice of the Indian taxpayer and cultivator rarely indeed makes itself heard, and that it is by no means identical with that of his self-appointed, denationalised English-educated representative. Again, upon the moral point it is notorious

* *Wednesday Review*, May 31, 1911.

† *The Times*, July 19, 1911: telegram from Peking, July 18, 1911; July 20, 1911: telegram from Peking, July 19, 1911.

that the use of opium in the East will be, and is already being, replaced by that of morphine and cocaine * from England, and from the Continent, which at any rate we cannot prevent. India's sacrifice of the opium revenue is vain unless the importation of these drugs is prohibited by agreement amongst treaty Powers, which have no intention of entering upon a quixotic and necessarily abortive campaign for the extinction of the use of stimulants in Asia.

The opium agreement was concluded by the Government without the sanction of the House of Commons, which merely passed platonic resolutions † of condemnation in an almost empty House, upon the motion of a private member. Considerable doubt exists as to the trustworthiness of the statistics produced by China, and Consul-General Sir Alexander Hosie, though his report ‡ was generally in favour of the sincerity and success of the Chinese efforts to suppress the poppy, admitted that in Shansi, one of the chief opium-producing districts, he was forced to discredit the assurances given him by the officials, and to put down the reduction in the amount of opium as certainly under 50 per cent., while in Kansu the reduction was less than half this amount, and only half that claimed by the officials of the province.§ Sir Alexander Hosie reported that the yield of opium in Szechuan used to be four times the whole annual importation from India, but that since the Imperial decree of suppression, for the present at least the

* The Excise Commissioner of Bengal reported in 1910-11 that in spite of prosecutions and high prices, the use of this drug is on the increase. Other Commissioners report that as heavier duties are imposed on opium, the use of more dangerous intoxicants grows apace.

Mr. Knox, Secretary of State, in his report to President Taft of January 7, 1911, states that "the illicit use of morphia and cocaine is widespread in the United States, and is rapidly spreading through Indo-China and other parts of the Far East, where it threatens to become more baneful than the opium-smoking habit." The average American import of opium in the last ten years has been over 400,000 lb., more than half of which has been used in the manufacture of morphia for improper uses.

† Parliamentary Debates, 1906, vol. 158, p. 516 ; 1908, vol. 188, p. 880.

‡ Cd. 5658, p. 9.

§ *Ibid.*, p. 18.

province produces no opium, but is disposing of surplus stocks.* Of Yunnan, which produced the best opium in China, he wrote that the cultivation had been stopped in the plains for the last three years, but still continued in the hill tracts and semi-independent zone. On the whole there had been a reduction of 75 per cent.† in the manufacture of opium in the province, wherein the price of the drug had risen to six times that ruling before 1907.

It is, of course, a common error to suppose that all opium grown in India is exported to China. When the agreement of 1907 was negotiated statistics showed that out of 67,000 chests only 51,000 went to the Middle Kingdom, and 16,000 to other countries, to which export will presumably continue as long as purchasers are found, while some 10,000 chests have hitherto been required for use in India, with which, in view of its valuable medicinal properties, it may be hoped that no interference will be exercised. It is suggested by certain authorities, including the late Sir Charles Elliott,‡ that opium-producing Native States should continue to supply such opium as will be needed after the extinction of the Chinese export. Others point out that the average income for the three years preceding 1907 was only three and three-quarter millions, but this is small comfort when the revenue had risen in subsequent years to five millions. It is also urged that there will still be an income of perhaps one million from the supply of opium to other countries, and that a saving of nearly two millions will be effected in the opium department. These calculations are contested, and indeed are based upon false and illusory premisses, and it may be regarded as absolutely certain that a loss of several, probably of four, millions a year will be inflicted on Indian revenues by the action of the anti-opium party at home, while it is by no means certain that less opium will in the long run be consumed in China, or that the supply of the necessary quantity will in any way be reduced by the sacrifice made in India. Indeed, China will be at liberty to, and during the Revolution actively does, cultivate the poppy again.

The Chinese Government under the new agreement has the

* Cd. 5658, p. 20. † *Ibid.*, pp. 22, 23. ‡ *The Times*, May 17, 1911.

power to close province after province against the importation of foreign opium on producing evidence, all too readily accepted, that production in and import into such province of Chinese opium has ceased. It has by irregular interference with the entry of Indian opium into the interior of the country caused great congestion of stocks at the Treaty Ports, and has taken advantage of its own wrong by making the complacent Government of India proportionately cut down its imports for future years. In fact, China wins on every point at the expense of the Indian taxpayer, and for the satisfaction of the anti-opium party in England, who apparently care not at all, if the Behar and Oudh cultivators starve, if all the cultivators in British India are taxed, or if in Central India and Rajputana ruling chiefs are so embarrassed as to be driven to collect fresh taxes from their subjects. The rights of these chiefs to compensation were admitted by the Opium Commission. With the extinction of the China trade Malwa opium will have no market left, though the Government monopoly opium will still find a field in the Straits Settlement and in India itself.

The sacrifice of revenue becomes more serious, as the taxable resources of the country do not increase as rapidly as its population.

CORONATION CONCESSIONS.

To the Coronation concessions announced as lately as December 12, 1911, brief reference is made in a footnote on page 115. They have, as far as can be judged so soon after the event, been received by the Congress and anti-English party in Bengal with satisfaction, tempered by regret at the loss of Calcutta as capital of India, by the European community of Calcutta, a numerous, independent, and able community, and by the Mahomedans of Eastern Bengal with natural displeasure, and by Hindus and Mahomedans in general with that indifference which might have been expected. Orientals have little or no sentiment. They are practical to the core and leave to European races this enervating luxury, which has become their self-indulgence and their bane. But that such great concessions to a moribund agitation, and such far-reaching administrative changes should have been made

over the heads of all concerned, and without the previously ascertained consent of Parliament, the Provincial Governments, and public opinion is generally regarded as a violent departure from constitutional precedent, only rendered possible by the shelter of the royal presence and prerogative.

CENSUS.

The general census of India, taken in March, 1911, includes Baluchistan and several remote and very sparsely populated districts in Burma, not hitherto included. The result shows a total population of 315,132,537, of which 244,267,542 were inhabitants of British territory and 70,864,995 of Native States. There was an increase of 7·1 per cent. between 1901 and 1911, as against 2·5 per cent. in the preceding ten years, and an increase of 12·9 per cent. in Native States as against 5·5 per cent. in British territory which may be regarded as a readjustment of a decrease of 5 per cent. in Native territory as against 4·7 per cent. increase in British territory at last census.

This result merely confirms previous experience, to the effect that after a severe scarcity resulting from successive bad seasons the population increases by leaps and bounds; and while famine prevailed in the last decade in the Native States, owing to better administration nothing more than hard times were felt in British India.

Although the plague occasioned great mortality in the decade now censused, the mortality from fever greatly exceeded the total number of deaths recorded from this cause, and the remarks made regarding the use of opium, as distinguished from its abuse, are not without application to the health statistics of the Indian Empire.

ARGUMENTS FOR AND AGAINST THE ATTACKS MADE ON THE CHARACTER AND EFFICIENCY OF THE INDIAN POLICE.

FOR.

1. It is urged that this body is hopelessly corrupt, that its members habitually bring false charges and manufacture evidence.
2. The subordinate ranks of the police are drawn from the lowest

and poorest castes and classes, and are not representative of the more intelligent inhabitants in India.

3. They are so badly paid as to render bribery a matter almost of necessity.

4. "The police impose upon the ignorance of the common people in the rural districts, and induce persons charged with offences to make confessions, even when they are innocent."*

5. They use torture to extract evidence, and ill-treat their prisoners.

6. The lower ranks practise intolerable oppression over the villagers, extorting money and service from them.

AGAINST.

1. The Indian police compare most favourably with the police of other Oriental countries, with which, and not with the police of European nations, they should be compared.

2. The police is the most exclusively native of all departments of Indian administration, and its methods and its faults are those of the country, racy of the soil, understood of the people.

3. The police in India work under peculiar difficulties, inasmuch as they lack the co-operation of the educated classes, upon which their fellows in Europe can count.

4. They labour under special difficulties also in respect of evidence, European judges often requiring a standard of proof that in India is well nigh impossible, and renders conviction most difficult.

5. Lord Curzon's Commission on the Indian Police found that cases of torture were now rare, and it must be remembered that under native rule torture was the recognised mode of procedure. The severest punishment is awarded when any case is proved against the police.

6. In spite of assertions of oppression, the villagers recognise that the police are effectual in preserving order and securing the safety of the community in the most practical manner by protesting against the removal of a station whenever suggested or contemplated.†

7. The police live in glass houses in which none of their delinquencies can be concealed, and the questions asked against them in the House of Commons, garbling their cases and misrepresenting their conduct, are for the most part drafted by a hostile syndicate in Calcutta for use by the "friends of India" in England.

8. Impartial observers testify to the excellence of the work done by the Indian police, *e.g.*, M. Chailley, above quoted.

9. Since the presentation of Lord Curzon's Police Commission Report, the practical necessity for corruption has ceased to exist in consequence of the grant of reasonable wages to the lowest ranks of police.

* Sir A. Fraser, "Among Indian Rajahs and Ryots," p. 229.

† *Ibid.*, p. 228.

10. "Most of the denunciation of the work of the police that one now hears is based on the traditions of the days of their most defective work, on the too ready acceptance of tales invented by the criminal classes to cast discredit on police witnesses, and on complete ignorance of the present conditions of the force, and of the rules under which inquiries are now conducted and supervised by officers of high character and sound training." *

REDUCTION OF INDIAN ARMY.

ARGUMENTS AGAINST.

1. It is the fear of Germany on the part of Russia and England, and not the Anglo-Russian Convention, which has removed the Russian menace.

2. The army gives regular occupation to multitudes of Indians of all races and classes, and to reduce it would cause hardship, as has been pointed out in the native Press.

"The disbandment of native regiments must result in the sudden unemployment of those sent out of the army, and the scope for military service and distinction must correspondingly diminish." †

3. The army is very small compared with the population and extent of country to be protected, and though trouble has been removed on the North-West, it has been replaced by the like anxiety on the North-East, Frontier.

4. It is necessary to ensure the safety of the house before it can be improved, and all projected reforms of all sorts really depend for a successful issue upon such safety being assured by sufficiently strong defences.

5. The strength of the Indian army was not fixed with reference to the Russian menace, while the internal condition of India points to the necessity for more rather than less troops.

6. The Indian army is an indispensable auxiliary of our other forces in war time.

7. The Indian troops once mutinied as the result of gross mismanagement and provocation, but they are similar soldiers to those who drank rice-water that Olive's Europeans might have rice, and it was with their help that the Mutiny was suppressed.

ARGUMENTS FOR.

1. The Anglo-Russian Convention has removed the Russian menace, to meet which the army is chiefly required.

2. It is waste of money to pay soldiers who are not wanted, the worst of all possible waste.

* "Among Indian Rajahs and Ryots," by Sir A. Fraser, p. 237.

† *Indian Patriot*, June 2, 1911.

3. Since the armies of the Native States, which were merely undisciplined rabbles, have been disbanded, fewer troops are necessary for the peaceful policing of India, which is now one of the chief functions of the British-Indian army.

4. Funds cannot be provided for social reform until military expenditure is reduced.

5. It is not the function of the Indian taxpayer or of the Indian army to come to the assistance of British armies engaged outside the Indian Empire.

6. The reduction of three Indian, can be effected for the sum saved by reducing one British, soldier, and those who oppose reduction insist chiefly upon keeping the British troops up to strength.

PREFERENTIAL TARIFFS WITH INDIA. ARGUMENTS FOR.

1. India is the commercial and industrial supplement of the United Kingdom, and both should be closely bound together by the knot of Imperial Preference.

2. Her existing tariff renders preference easy of arrangement.

3. She requires protection for her nascent industries.

4. Imperial Preference is India's best defence against the import of foreign products.

5. The Government of India is in favour of retaliation, which involves the sanction of preferential duties.

6. There is no danger of retaliation from foreign Governments,* which already tax their imports of Indian goods, and cannot afford to exclude Indian exports of food and raw material.

7. Out of the total Indian export trade of Rs.1,846,000,000, trade of the value of no less than Rs.920,000,000 will be either benefited or wholly unprejudiced by Imperial Preference.

8. Imperial Preference would be acceptable to Indian patriotism, and would promote the moral and material welfare of India.

9. It would entail, or would promote, the abolition of the unpopular and unjustifiable excise on Indian cotton goods† and would encourage the tea, coffee, and indigo industries, and the Indian mills.‡ “Since the enlargement of the Indian Council efforts have been made to abolish this duty, and it has been condemned by every Indian member of the Viceroy's

* Cd. 1981 (1904).

† All goods imported into India pay an *ad valorem* duty of 5 per cent., except cotton goods. There is no import duty on cotton yarns, and only a 3½ per cent. *ad valorem* duty on cotton cloth, while at the same time there is an equivalent excise duty of 3½ per cent. on the products of the Indian cotton mills.

‡ Lord Ronaldshay, Parliamentary Debates, July 27, 1911.

Council. It was said that this duty was necessary in the interests of Free Trade, but if so it should apply to all goods, not merely to cotton goods. The increase in the petroleum import duty by 50 per cent. has been defended on the ground that it might protect the Indian industry, and might drive imported petroleum out of the market. The Free Trade defence of the cotton excise duty would not hold water. The real reason for its existence was the influence which Lancashire was able to exert in Parliament, but Lancashire would not object to the abolition of the excise duty if the import duty on Lancashire cotton goods was also abolished. To make up for the loss of revenue which that would cause a higher duty could be placed on foreign goods, which were becoming increasingly powerful competitors."*

10. It is evident from the above figures that there is ample opportunity for establishing a reciprocal tariff between India and Great Britain.

11. Moreover, India possesses a monopoly of jute, which foreign countries obtain free from duty; while they exact high duties upon jute manufactures from India and Great Britain.

ARGUMENTS AGAINST.

1. India without preferential tariffs already enjoys in exceptionally large measure the advantages of free exchange of imports and exports.†

2. From a financial aspect the danger to India of reprisals by foreign nations is so serious, and their results would be so disastrous that the Indian Government would not be justified in embarking on such a novel policy, unless sure of greater or more certain benefits than are now discernible.

3. If the matter is regarded exclusively from an economic standpoint, India has something, but not very much, to offer to the Empire, but she has a great deal to lose or risk, and very little to gain in return.

4. India as a debtor country is dependent on her trade with foreign countries for the discharge of her net international obligations.

5. Of the total value of Indian exports, 50 per cent. are raw materials

* In 1899 the foreign imports were £10,000,000, while in 1909 they were £24,000,000. Belgium sold seven times as much bar steel in India as British manufacturers, Japan sold eight times as much hosiery as British manufacturers, and Japan and Sweden between them sold fifty times as many matches as British manufacturers. The demand of India for such goods as apparel, furniture, clocks and watches, hosiery, glass, hardware and cutlery, matches, steel, and woollen goods in a year is £11,000,000. Out of that amount the British manufacturer supplied little more than £5,000,000.

† Cd. 1931 (1904). Views of the Government of India on preferential tariffs.

required by the importing countries for their manufacturing industries, and therefore admitted on the easiest possible terms.

6. Powerful trades in Great Britain would demand that their interests, which are never necessarily identical with, and are often opposed to, those of India, should be considered. India and Ceylon between them have more than nine-tenths of the tea trade of the United Kingdom.

7. "To develop Indian industries by a protective tariff would be to, expose India to the worst evils of Western capitalisation." *

8. "The Indian publicists by no means unanimously favour preference."

9. "While we dictate the political we must dictate the fiscal policy of India." †

ARGUMENTS FOR AND AGAINST FREE COMPULSORY EDUCATION.

FOR.

1. The general movement of the present time, democratic, industrial, and humanitarian, points to the necessity for removing the ignorance of the masses, and raising the moral and civic status of the working man.

2. The Government of India Despatch of 1854, the Education Commission of 1883, and the Government of India Resolution of 1904 advocate the extension of elementary education. Mr. Gokhale's Bill makes primary education free and compulsory, and therefore fulfils these conditions.

3. In all countries elementary education has rather to be forced on the masses.

4. Education is free and compulsory in Baroda, and therefore can be made compulsory in British India.

5. Out of every hundred boys in India, education reaches thirty-three; out of every hundred girls only four. The attendance at schools in British India is 1.9 per cent., as compared with 20 per cent. in Great Britain, 11 per cent. in Japan, and 4.5 per cent. in Russia. The expenditure per head of the population in the United States is 16s., in England and Wales 10s., in Russia 7½d., and just a penny in India.

AGAINST.

1. India has not risen to those mental and moral standards which would make compulsory education acceptable to the masses.

* Mr. Montagu, Parliamentary Debates, July 27, 1911.

† The writer voted for the countervailing duties in the Indian Legislative Council following this principle, but it does not avail when the Free Trade policy itself is under trial.

2. The masses do not, even now, generally send their children to school.
3. Compulsion will cause discontent.
4. The untouchable classes cannot be educated in the same building with the children of caste people, and the provision of two sets of buildings is prohibitive in cost.
5. The fact that the Indian masses are divided into touchables and untouchables is sufficient to show that they are not ripe for compulsory education. The first step is to make elementary education free, and if widespread advantage is taken of the privilege, it will then be right to consider if compulsion should follow.
6. Baroda is under a personal ruler, and compulsion is not therefore resented as it would be if proceeding from an alien and impersonal Government. An autocrat is possible only as long as people are left largely to themselves and to their own social and political devices.
7. The Gaekwar of Baroda says that "his reforms are disliked by his people," and "he speaks freely of the ignorance of the people he governs, and says that even his own relatives disapprove of his travelling and of his eating with strangers."*
8. Baroda and its ruler are other than representative of Indian princes and States.
9. "There is no general demand for education among the people. There is a duty on the part of reformers to create a willingness to help to pay the taxes or fees by which alone large educational schemes can be financed."†

ARGUMENTS FOR AND AGAINST THE REDUCTION AND EXTINCTION OF THE INDIAN OPIUM TRAFFIC.

FOR.

1. It is so immoral to sell opium to the Chinese that this traffic should be stopped, regardless of the suffering entailed on Indian cultivators, and without reference to the resulting necessity of subjecting them to increased taxation.
2. The reports of Consul-General Hosie prove that China is sincere in her efforts to abolish the cultivation and use of opium in the Middle Kingdom.
3. It is incumbent on the dependency of a Christian State to co-operate with a non-Christian State in its endeavours to abolish a pernicious habit which enslaves and enervates.
4. "The Emperor of India is the largest manufacturer in the world of

* "The West in the East," by Price Collier, pp. 255, 256.

† Mr. Montagu, Parliamentary Debates, July 27, 1911.

an article not one grain of which dare be sold in his home territories, even for medicine, without being marked 'poison.' " *

5. Of the results of indulgence in opium, Sir Charles Aitchison, Chief Commissioner of British Burma, wrote: "The habitual use of the drug saps the physical and mental energies, destroys the nerves, emaciates the body, predisposes to disease, is one of the most fertile sources of misery . . . and enfeebles the constitutions of succeeding generations." †

6. It was an Emperor of China who said: "It is true I cannot prevent the introduction of the flowing poison [opium]; gain-seeking and corrupt men will, for profit and sensuality, defeat my wishes; but nothing will induce me to derive a revenue from the vice and misery of my people."

AGAINST.

1. The Chinese will probably continue to smoke opium, or if deprived of this drug will substitute, indeed are already substituting, for it the more noxious morphia and cocaine.

2. Opium-producing Native States, which were no parties to the agreement between England and China, will suffer, and must be awarded compensation, to raise which the Indian peasants' salt will probably be taxed.

3. Opium is useful as a medicine, and no more abused as a stimulant in China than alcohol is in Europe.

4. It is intolerable that a lawful trade should be destroyed and Indian peasants taxed because Scottish temperance advocates possess undue influence in Parliament.

5. Either the loss to the Indian cultivator should be made good by the English taxpayer, or he should repudiate the anti-opium agitation, and cease from troubling the Indian ryot.

6. The reports of Consul-General Hosie disclose a doubt as to the ability of China to abolish poppy cultivation in all her provinces, and exaggerations, at any rate in some quarters, of the progress already accomplished.

ARGUMENTS FOR AND AGAINST THE FURTHER EXTENSION OF REPRESENTATIVE GOVERNMENT AND THE LIKE REFORMS.

FOR.

1. The Congress, advanced reform, English-educated, and Babu party urge that an insufficient number of natives is employed in the administration of India, and complain that they are excluded from all the more highly paid appointments in the Civil Service.

2. They declare that the elective principle is not given sufficient play in the government of the country, and that even the District Boards, which

* "The Opium Trade," by D. McLaren.

† *Ibid.*

have popularly elected members, are practically dominated by the Executive Government and its officers.

3. They protest that judicial and administrative functions should not be united in the person of the District Officer, because it is unfair that the authority which directs the prosecution should also try the charge.

4. They are strongly opposed to the partition of Bengal, alleging that it involved the dismemberment of an ancient Hindu kingdom, and a separate well-defined and self-contained province of the Indian Empire.

5. They urge that too much money is spent on the army and too little on education.

6. India is annually drained of fifteen millions sterling a year in home charges, and cannot effectually protest.

7. Educated Indians are said to be treated with a lack of consideration and respect by British officers. There is a considerable feeling of discontent among the English-educated that social intercourse between the two races is practically barred.

8. The lower social status of some of the present British-Indian officials, chosen by competitive examination, makes them less acceptable to the high caste native, and they are sometimes ill-suited to the positions they are called upon to fill, and cannot adapt themselves to the ceremonial of politeness so necessary in Oriental intercourse.

9. If the Native States bear a heavy land-assessment, at least all money so raised is spent and circulates in the country of its origin.

10. England is merely exploiting India for her own financial and commercial benefit.

11. The forest regulations press very heavily on the peasant, who was formerly free to cut wood or pasture cattle when he would, but is now excluded from reserved lands and forests and needs a licence to cut wood or pasture cattle. The same remark applies to rivers and fishing, which used to be free and now are or may be preserved.

12. A potent factor in the unrest in India is the system of education pursued by the English Government, in so far as it creates a class of English-educated Indians, for only a small proportion of which openings are provided in the Civil Service, for appointments in which the education given particularly and pre-eminently fits the recipients.

AGAINST.

1. Natives of India hold a large majority of posts in the Civil Service, a small number only being reserved for Europeans.* Out of about 29,000 appointments ranging from an annual value of £60 to £5,000 a year, 22,000 are filled by natives of India. "Further, while the total number of Government appointments has thus increased between 1867 and 1904 by 110 per cent., the figures show that the number of posts held by Hindus

* "The West in the East," by Price Collier, p. 174.

has increased by 179 per cent., by Mahomedans 129 per cent., by Eurasians 106 per cent., and by Europeans only 36 per cent."*

2. The Government officials do not interfere with Municipal Boards except in important matters, and it must be remembered that the elected members of these Boards are nearly always drawn from one, the Babu, class, who in no sense represent the masses of the people.

3. The existing combination of judicial and administrative functions derives from our predecessors in title, and is not an invention of the English. The District Officer in practice has little to do with launching prosecutions, being only in a formal sense head of the police, who have their own administrative officers, actual prosecutions being generally conducted before subordinate magistrates.

4. It is impossible to dismember that which no longer exists as an unit. Bengal, either as a whole, or in two parts, is still only a portion of the British-Indian Empire. The partition has, moreover, enabled a vast area to be better administered, the official machinery has merely been duplicated, the same laws are administered by the same Civil Service, and the anti-partition movement has notoriously been engineered from Calcutta, and does not represent the feelings of the populations affected, who have made no serious sign of disapproval.

5. It would at present be difficult to raise money in India for the extension of educational facilities by reducing the army, the strength of which is very small in proportion to the population and area to be protected. That strength was fixed after the Mutiny, and should now be raised rather than reduced in proportion to the increased area and population. The country must be safe before it can be educated. Safety before even education.

6. The larger part of "the drain" represents interest on capital borrowed from England at exceptionally low rates, owing to the connection between India and Great Britain, and remuneratively employed in railways, irrigation, and other public works of utility.

7. As regards social intercourse the absence of commensality and the seclusion of native women forms an effectual bar, of native making, to unrestricted social intercourse. English officers who are guilty of discourteous treatment of natives are severely punished by the Government, and while every such case is magnified and turned to account by agitators, the generally friendly relations existing pass unnoticed. "The accusation of lack of sympathy, comradeship, and social intercourse is twaddle; there is an ample supply of honest comradeship and real sympathy, not of the tea-cake varieties, which is merely the doctrinaire philanthropy of parochial officialdom."†

8. As to the class of the Indian Civil Servants at present provided by

* "Lord Curzon in India," p. 144.

† "The West in the East," p. 182.

competitive examination, there will by chance, of course, be some unsatisfactory youths recruited, though the great majority are of exactly that public school and university, social and educational extraction favoured in the Holmes circular, to which in advanced Radical quarters such strong exception was lately taken. Avoidance of occasional malrecruitment is inevitable under a democratic competitive system, and must be endured, since it is most improbable that the Government of India will enlarge the sphere of private and official patronage.

9. Native States are, so far as their foreign relations are concerned, under the protection of the British Government. They have no international obligations and no occasion for spending money on defence. The British Government is differently situated in this behalf.

10. The occupation of India by the English has given personal freedom, general prosperity, and security to an extent hitherto unrealised and unimagined, put an end to the perpetual internecine wars between the many peoples of India, and established a settled order of things on which men may count. Crime in high places is no longer common. Sati has been abolished, sorcery, poisoning, domestic murder, and lives of senseless depravity are disappearing.*

11. The forest regulations are made in the permanent interests of the people themselves, such protection being necessary in order to the preservation of the sources of rivers, streams, fuel, and timber, for the retention of moisture in the soil, for the mitigation of heat, and the more equable distribution of rain.

12. The English Government does not provide education merely as a means to obtaining Government appointments, but as a means of uplifting the recipients to a higher moral plane. That the class of education given is unsuitable for this purpose cannot be denied, since it is undenominational and tends to increase atheism and agnosticism.

BIBLIOGRAPHY.

- Northern India. By W. Crooke.
 Lord Curzon in India. By Sir T. Raleigh, K.C.S.I.
 Indian Problems. By S. M. Mitra.
 The West in the East. By Price Collier.
 The Native States of India. By Sir William Lee Warner, K.C.S.I.
 Indian Speeches. By Viscount Morley.
 An Eastern Miscellany. By the Earl of Ronaldshay, M.P.
 Administrative Problems of British India. By M. Joseph Chailley.
 Economic Transition in India. By Sir Theodore Morison, K.C.I.E.
 The New Spirit in India. By H. W. Nevins.

* "India Under Ripon," Wilfrid Scawen Blunt, p. 306.

- Among Indian Rajahs and Ryots.** By Sir Andrew Fraser, K.C.S.I.
Indian Unrest. By Valentine Chirol.
The Awakening of India. By J. R. Macdonald, M.P.
India. By J. Keir Hardie, M.P.
Studies of Indian Life and Sentiment. By Sir Bampfylde Fuller, K.C.S.I.
Police and Crime in India. By E. Cox.
India Under Ripon. By Wilfrid Scawen Blunt.
The Opium Trade. By D. McLaren.
India and the Durbar. Macmillan, 1911.
The Real India. By J. D. Rees, C.I.E., M.P.
Modern India. By Sir J. D. Rees, K.C.I.E., C.V.O., M.P.
The Mahomedans. By J. D. Rees.
Tours in India. By J. D. Rees.

CHAPTER V

THE COLONIES

IMPERIAL CONFERENCE, 1911.

PROBLEMS connected with our Dominions and Colonies, being equally numerous, complex and controversial, it is obvious that they cannot be discussed in a work such as this in other than brief and comprehensive fashion. And in fact the most important questions have just come under review at the Imperial Conference of 1911, which will undoubtedly prove to be a new point of departure, at which most of the current controversies assumed a novel form, and from which their future development will date.

It was not Colonial but Imperial in character ; it was not a discussion upon domestic relations between the Mother Country and her Colonies, but a Conference between the Governments of five self-governing nations of equal status within one Empire, concerning their common interests, and at which for the first time foreign relations and defence were the most important subjects upon the agenda paper.

It was already obvious long before the Conference met in 1911 that existing arrangements under which the Colonies were allowed complete local autonomy, while Imperial affairs were entirely under the control of the British Government, could not much longer endure, and that as the daughter States increased in population, trade, and importance they necessarily became more and more likely to be immediately affected by and concerned with British foreign policy.

Mr. Chamberlain at the Conference of 1897 said, " It is not necessary for me to argue on the advantages of closer union between England and the Dominions. Strong as is the basis of

sentiment, we all feel that it would be desirable to still further tighten the tie which binds us together. The idea of federation is in the air." Little, however, was then done to strengthen what Mr. Chamberlain described as the principle of "mutual support" and to develop a "truly Imperial patriotism."

At the Conference of 1902 Mr. Chamberlain did not hesitate to say "that in his opinion the political federation of the Empire was within the bounds of possibility." He specially dwelt on the increase of armaments amongst foreign nations, and in further considering the Imperial system of defence he promised a voice in Imperial affairs as a return for an Imperial subvention. It was then resolved that a quadrennial Conference should be held, and all the Premiers, except Sir Wilfrid Laurier, accepted the principle of contributions to the cost of the British Navy, in recognition of which a resolution was passed to the effect that so far as possible the views of the Colonies should be obtained in negotiating treaties with foreign Powers.

Mr. Chamberlain, however, after his visit to South Africa was less hopeful of the early political federation of the Empire, and looked rather to commercial union as the immediate goal. The Conference of 1907 accordingly resolved that quadrennial meetings should be known as Imperial Conferences, and that at such meetings questions of common interest should be discussed and considered as between the British Government and the administrations of the self-governing Dominions beyond the seas. This substituted a basis of Imperial co-operation for one of Imperial Union, and the principle of contribution to the British Navy was abandoned in favour of a policy of construction of Colonial fleets. Questions of foreign policy and defence were not discussed at that Conference, an omission partly due no doubt to the attitude of the then newly elected Liberal majority which supported Sir Henry Campbell-Bannerman.

IMPERIAL CO-OPERATION.

Before the meeting of the Conference of 1911 the confessions of Mr. Asquith's Government as to the, till then

unappreciated, advance of Germany towards a position of equality with this country at sea augmented the importance of the meeting and emphasised the necessity for the co-operation of the Dominions in defence and in foreign policy.

Canada then agreed to create a navy of five armoured cruisers and six destroyers, and Australia of one Dreadnought cruiser, three armoured cruisers, and six destroyers. New Zealand agreed to contribute at once one Dreadnought cruiser for service in New Zealand and Chinese waters and an annual grant of £100,000. The new navies were to be under the control of their own Governments, but Sir Wilfrid Laurier alone declared "that it was not advisable for Canada to mix in the armaments of the Empire, but that it should be left to the Canadian Parliament, Government, and people to take part in wars in which they have no voice only if they thought fit to do so."*

A special significance attached to this declaration as at that time not only had the German scare supervened, but Canada had negotiated with Japan upon Japanese immigration through the British Ambassador at Tokio, as she has since with America with the help of our representative at Washington, and South Africa has made a treaty with Portugal regarding Delagoa Bay.

It does not appear that the subsidiary Conference of 1909 appreciated the fact that in determining the manner in which the Colonies could best participate in Imperial defence, it was practically superseding the old idea of Imperial Union by a new policy of Imperial co-operation, fraught with tremendous issues. Sir W. Laurier's contention that Canada should take no part in the drafting of treaties lest such participation should imply responsibility for, and obligation of sharing in, any resulting war, was repudiated by the most important organs, even of the Liberal Canadian Press. The *Winnipeg Free Press* wrote: "When Great Britain is at war the whole Empire is at war, therefore the overseas Dominions, not less than the Motherland, are open to attack. In actual practice

* Canadian Parliament, November 29, 1910.

the Dominions would be involved only in the event of a war with a first-class Power, but technically they are engaged in hostilities in every little war that breaks out on the far-flung boundaries of the Empire."*

The *Toronto Globe* declared that, "In defence of the Empire there is no doubt what would be Canada's attitude. Every man, every dollar would be sent to the aid of the Motherland were she hard pressed."†

Since Canadian Liberals take this line, and since there is not much doubt that Canadian Conservatives hold, at least as strongly, identical opinions, it may be hoped that before long a general agreement will be reached to the effect that when England is at war the Empire is at war. It is pretty clear that the navies of the Dominions cannot be allowed a free hand without bringing the Imperial structure to the ground. Unity in defence is no longer in sight, and identical foreign policy seems likely to vanish from the political horizon if the Canadian Premier's disastrous lead finds any general following.

As Mr. Jebb has urged, "there is a strong particularist tendency of national feeling in all daughter States,"‡ but this need not necessarily be antagonistic to Imperial co-operation, nor can any daughter State have isolated diplomatic relations with foreign Powers unless she has an army and navy of strength something like equal to that of the armaments of the other contracting party behind her own diplomacy.

IMPERIAL COUNCIL OF STATE.

The first proposal which came before the Conference of 1911 was that of New Zealand, which set out that the present stage of Imperial development rendered it expedient that there should be an Imperial Council of State—with representatives from all the self-governing portions of the Empire—in theory and in fact, advisory to the Imperial Government on all questions affecting the interests of His Majesty's dominions overseas. This, however, was withdrawn, after failing to

* June 8, 1911.

† June 7, 1911.

‡ "Studies in Colonial Nationalism."

meet with the approval of the representatives of other Dominions.

STANDING COMMITTEE OF IMPERIAL CONFERENCE.

Other proposals, also made by the Prime Minister of New Zealand, regarding the reconstitution of the Colonial Office were met by alternative suggestions put forward on behalf of the Imperial Government. The latter involved the creation of a new committee, composed of the Secretary, Under-Secretary, and Permanent Under-Secretary of State for the Colonies, and of the High Commissioners or other representatives appointed by the Governments concerned. Neither the New Zealand nor the Colonial Office proposals were carried.

From time to time during the Conference of 1911 the Prime Ministers of the overseas Dominions met on the Imperial Defence Committee, but their proceedings were considered to be confidential in character and were not published. It was, however, regarded as highly satisfactory that these statesmen were admitted frankly to the innermost circle of the British Government, as had indeed been promised by the Colonial Secretary when a valuable resolution moved by Mr. Walter Guinness was adopted in the House of Commons on April 19, 1911, to the effect that "this House is of opinion that discussions on the international situation should be added to the programme of the Imperial Conference." *

HON. WALTER GUINNESS'S RESOLUTION.

In this debate an Imperial Advisory Council was advocated as well as a proposal to sever the administration of the Dominions from the Colonial Office, and to create a separate Minister for Imperial affairs. It was urged that the States of the Empire had outgrown the condition in which they were content to leave the control of their foreign affairs entirely to the home Government, since they had now decided to construct fleets for themselves. The Declaration of London was instanced as a case, which, like the New Hebrides Convention,

* Parliamentary Debates, April 19, 1911.

should have been, and was not, brought before the Governments of the Dominions and Colonies, and in ignorance of the forthcoming renewal stress was laid upon the urgent necessity for arriving at some common understanding before the termination in 1915 of the Anglo-Japanese Alliance.

One object of Mr. Guinness's motion was to ensure that the Prime Minister and the Foreign, as well as the Colonial, Secretary should be present at the sessions of the Conference, and that the inter-dependence of naval defence and of responsibility for foreign affairs should be fully admitted. Able speeches were delivered upon the great question whether in the future the wars of the United Kingdom would necessarily be those of the whole Empire, and weighty opinions were expressed to the effect that only at an Imperial Conference could any progress be made towards a solution of the difficult and menacing problem of Asiatic immigration.

There is every reason to believe that their own participation in the deliberations of the Imperial Defence Committee was warmly welcomed by the Dominion Premiers and will prove to be a new departure of happy augury. A singular feature of the conference was an entertainment at the Eighty Club, at which Mr. Lloyd George expressed Imperial sympathies, and at which Mr. Fisher, the Prime Minister of Australia, who had commended himself to public opinion in this country by his early and complete repudiation of the anti-military agitator of the type of Mr. Keir Hardie, made a somewhat cold rejoinder to Mr. George's lead regarding "the necessity under which the Old Country feels itself of banishing those social evils which undermine its lustre and strength." Mr. George during the war in South Africa had, of course, himself occupied a somewhat similar position to that of Mr. Keir Hardie, and Mr. Fisher seemed anxious above all things to dissociate himself from any peace-and-ploughshare policy which was, or might be described as, wanting in proper patriotic spirit.

DECLARATION OF LONDON.

The discussion upon the Declaration of London showed that the Colonies regarded this instrument with, to say the least,

very moderate satisfaction, but the Conference decided to support its ratification* upon the understanding that on all future occasions of the like character the Dominions would be consulted before any Hague Conference was held from which any such agreement might result. The Australian Commonwealth, however, was no party to the resolution, and telegraphic advices from the Commonwealth, commenting on the attitude of the Australian Prime Minister, indicated that a strong feeling prevailed in well-informed circles to the effect that the Declaration was unfavourable to Australian interests.

Sir Wilfrid Laurier, on this occasion also, took a line, afterwards more or less abandoned, which would be fatal to any permanent connection between Canada and the Mother Country. It is difficult to understand his attitude. Either Canada is or is not part of the British Empire. The accepted position recognises her as a member, and it would cost her infinitely more to maintain by her own armaments that security which she now possesses by virtue of her partnership. Under Great Britain, or some powerful nation, so far as can be foreseen, her destinies must be accomplished.

LABOUR EXCHANGES.

It was probably in deference to the British Labour Party that a resolution, which had subsequently to be withdrawn, was moved for the extension of the system of Labour Exchanges upon an Imperial basis between the Mother Country and the Colonies. This, as might have been expected, met with general condemnation from practical statesmen.

Resolutions were passed in favour of greater uniformity throughout the Empire in laws relating to copyright, trademarks, and companies, but a motion by Mr. Fisher, the Premier of a Labour Government, be it remembered, urging the support of British manufactured goods and British shipping, proved abortive.

INTERCHANGE OF CIVIL SERVANTS.

The Government proposal, to which reference has been made, to establish a Standing Committee of the Conference, containing

* See p. 22.

the High Commissioners as well as representatives of the home Government, not meeting with sufficient support, and the resolution of the Government of New Zealand dealing with the reconstitution of the Colonial Office having been withdrawn, a resolution was passed at the instance of New Zealand in favour of an interchange of selected officials of the respective Civil Services of the Imperial Government and the Dominions, with a view to the acquirement of better knowledge by both services in regard to questions of common interest.

LORD ELGIN'S SECRETARIAT.

Upon the whole, the discussion upon reorganisation in 1911 showed the wisdom of Lord Elgin's scheme of 1907, the adoption of which did not involve any interference with the responsibility or the organisation of the Colonial Office. Lord Elgin's Secretariat has done most useful work, and the Conference was not able to improve upon the arrangements made in this behalf in 1907. The difficulty of creating satisfactory machinery for carrying on the work and influence of the Conference between the meetings hinges upon the necessity for maintaining the responsibility of the Ministers concerned to the various Parliaments. It was this objection which led to the rejection of the scheme for the creation of an Advisory Body. Australia possesses a Department of External Affairs and a Department of Defence, the Ministers of both of which were present at the Conference of 1911. Canada has only recently, and South Africa and New Zealand have not yet, created a department of the like nature. In Canada Defence is divided between the Ministers of Marine and Militia, in South Africa it has a share in a Minister, and in New Zealand this portfolio is, with several others, in the hands of the Prime Minister. It is clear, therefore, that some change in the direction of co-ordination is required in the Dominions as well as in the Colonial Office.

SECRETARIAL AND MINISTERIAL PROPOSALS.

There must at any rate be a further development of intercourse between the Ministers concerned at home and abroad,

and the appointment of a whole-time Minister for the Dominions in the British Government is a reform already well in sight.

It might well be urged "that in future the Colonial Ministers of Defence should be made members of the Imperial Committee of Defence, and that each Government should create a Ministry for External Affairs whose functions would correspond with those of a British Minister deputed to control the existing work of the Dominions Department of the Colonial Office, and that work alone."

These excellent suggestions were made by the able writer who deals with this subject in *The Times*.*

NATURALISATION.

Upon the not unimportant subject of naturalisation the Conference decided to re-draft the Bill prepared in 1907 upon the principles that the five years period now required for naturalisation in Britain might be spent anywhere within the Empire, and that nothing in the Bill should affect the validity of local immigration laws. This question had given rise to considerable difficulty in 1907 on account of the attitude of South Africa and Australia towards coloured immigrants. It was obvious that those Dominions which object to such immigrants were not likely to agree to receive non-Europeans as citizens by virtue of naturalisation, effected in parts of the Empire which do not object to coloured immigration. At present the period of residence required differs in different countries of the Empire. The British law requires five years' residence in the United Kingdom—for which, under the Bill now provisionally accepted by the Conference, five years' residence within the limits of the Empire will be substituted. Canada requires three, Australia two, Newfoundland five, years' residence, while New Zealand exacts no definite period. Most of the Dominions accept a naturalisation certificate of the United Kingdom in lieu of residence, and Australia, New Zealand, South Africa, and Newfoundland refuse to naturalise members of certain non-European races.

* June 8, 1911.

INTRA-IMPERIAL MIGRATION.

A resolution was also passed recommending that the present policy of encouraging intra-Imperial migration should be continued, and that full co-operation should be accorded to any Dominion in want of immigrants. Mr. Burns was able to show that while in 1900 only 33 per cent. of the emigrants from the United Kingdom migrated to other parts of the Empire, the proportion in the first few months of 1911 had risen to 80 per cent. A Standing Committee appointed in 1910 by the Royal Colonial Institute, under the chairmanship of the Duke of Marlborough, to report upon measures for the better organisation and control of emigration from the United Kingdom to the Dominions, reported in the following year.

In its report the Committee pointed out that "the tide of satisfactory emigrants from North-Western Europe appears to be ebbing and a less eligible class is presenting itself from the East and South." While, however, it is becoming more and more necessary for the Dominions to attract eligible settlers from the British Isles, a difficulty is created by the desire in the Dominions only for a class of emigrant which the United Kingdom is unwilling to lose. The Committee holds that a *via media* satisfactory to both sides can nevertheless be found, since in its opinion "there are many people who are unemployed or under-employed and have no prospects in this country, yet who would, and who in practice do, prove admirable colonists, on the land or in the towns, if they can be transferred to suitable employment in the Dominions before a long period of idleness has undermined their self-reliance and weakened their habits of industry."

The Committee considered that an official committee should be constituted to represent the existing voluntary emigration societies and harmonise conflicting interests, and thought such a committee might be developed out of the existing Emigrants' Information Office and might include representatives of the Dominion Governments. The functions suggested for it are as follows :—

- (a) To advise on all general questions of policy affecting emigration.
- (b) To co-ordinate the emigration societies of the United Kingdom.

(c) To collect and disseminate the information now dealt with by the Emigrants' Information Office.

(d) To deal with labour exchanges, boards of guardians, county councils, distress committees, the Central Unemployed Body, and other bodies on all matters connected with emigration.

(e) To deal with High Commissioners, Agents-General, and agencies in the Overseas Dominions in regard to questions of emigration.

INDIAN IMMIGRATION.

As regards the vexed question of the immigration of natives of India into the territory of the South African Union, the only possible attitude for the Imperial Government to take was to recognise the right of a self-governing community to choose the elements of which it should be constituted. The Home Government, therefore, in no way pressed the Government of the Union to admit a class of immigrants, which the people of South Africa was determined to exclude. They only asked that the exclusion should be effected in such a manner as not to humiliate the natives of India concerned. The attitude of the South African Colonies is in no way singular, for the influx of coloured persons into Australia is successfully prevented by legislation, which, without drawing distinctions on the ground of race and colour, sufficiently safeguards the inhabitants of the Commonwealth. Coloured persons are not excluded by any colour bar, but by the action of the immigration officers. The British Indians have, however, a special, as well as a general, claim upon the English in South Africa, for during the Boer War great services were rendered in Natal by the Indian community, which behaved in so unselfish, courageous, and public-spirited a manner that it might well be urged that they were ill requited by the local Governments when peace was restored. On the other hand it must be admitted that natives of India completely undersell natives of Europe whenever they come into competition with them, and that the solicitude of the Union and local Governments in South Africa for the interests of their white subjects was not only excusable but absolutely necessary and correct.

It is not only in South Africa that acute difficulties in regard

to immigration arise. Such have been experienced in Canada, which its inhabitants are determined shall remain a white man's country, not only for social and economic reasons, but on national and political grounds. Canada claims that British alliances or British obligations shall not lead to any restrictions on the right of the Dominion to legislate as regards immigration. The competition of Indian labour, if it was largely increased, would occasion general unrest amongst the white working men, whose standard of living is higher than that of Asiatics, and who as citizens have obligations to fulfil and expenditure to meet, in fact, a general status to maintain, with which the Indian coolie has no concern.

As emigration to Canada under an agreement to labour is not lawful under the Indian Emigration Act of 1883, unless Canada provides such laws as the Indian Government thinks sufficient to protect immigrants, it is within the power of either the Indian or Canadian Governments to stop this movement, and the Dominion Government has accordingly passed an Order in Council prohibiting the landing in the Dominion of immigrants who come to Canada in violation of the laws of their own country, and rendering them liable to deportation. So far as contract labour, the most dreaded class, is concerned, this remedy is complete, and in respect of other immigrants, the regulation of the Canadian Government requiring a continuous passage upon through tickets from the country to which such immigrants belong, and the possession of a minimum sum of \$25, should prove an effectual bar. There is not, of course, and never has been, any indentured emigration from India to Canada. The people of India, it is said, will resent Canada's action. What people? What castes and sections of which people inhabiting which regions in a vast continent, the home of numerous races without cohesion, fellow-feeling, or common sentiment? The Bengali Press and the Indian Press elsewhere controlled by Bengali Babus and Poona Brahmins, will tell a different tale, but Asiatics do not sympathise with brother Asiatics as Europeans, often in a most ineffectual manner, do sympathise with brother Europeans. Mr. Meredith Townsend with perfect truth wrote

in his remarkable work, "Asia and Europe": "Sympathy has yet to be born in Asia. Asiatics lack that side of the imagination which we call sympathy, which has become so dominant among ourselves, that we are apt to forget how comparatively recent its development has been." It has indeed become dominant among ourselves to such an extent that we are in danger of forgetting that in India itself, as well as without its wide limits, an Imperial governing people must continue to practise an Imperial impartiality, for sympathy with one race, caste, class, sect, or religion provokes antipathy against another, while sympathy is ever in danger of degeneration into tawdry and mischievous sentiment, and lends itself with fatal facility to prostitution as a party pawn and foul play as an agitator's counter.

It must also be recognised that Indians coming from tropical climates possess manners and customs so unlike those of the Canadians that they must necessarily suffer privations such as render a discontinuance of such immigration most desirable in their own interests, and that the emigration of Indians to Canada was due to highly coloured pictures of Canadian prosperity circulated broadcast in certain parts of India in the interests of steamship companies and sundry industrial concerns, which desired to obtain unskilled labour at wages below the current rates. Steps have now been taken to counteract these inducements, and immigrants who come otherwise than by a continuous journey from their own country are, as above stated, not permitted to land in Canada.

It is not, however, only, or chiefly, a question of Indian immigration. As the result of a careful inquiry the Commissioner appointed by the Canadian Government reported that unless measures were adopted sufficiently effective to prohibit absolutely all immigration from Hawaii, and the importation of contract labour from Japan, there were strong grounds for believing that the number of Japanese likely to enter Canada would become excessive, and that a traffic in Japanese labour would be developed such as had never been equalled in the importation of any class of coolie labour ever brought to the Canadian shores.

Mr. Mackenzie-King thought that an immediate consideration of the subject was desirable, not only in the interests of British Columbia, but of the whole Dominion, and that any effective solution demanded the prohibition of such Japanese immigration as might come from countries beyond Japanese jurisdiction, and an absolute restriction of the numbers coming directly from that country. Japanese emigration into Hawaii has, however, fallen largely in 1909 and 1910, and the island Empire wants all her spare population, and more, to settle in and develop, Formosa, Korea, and Manchuria.

There is good reason to believe that the South African Indian immigration question has been used as an agitator's counter in India, and it is, of course, from this point of view, and still more in view of the necessity for dealing generously with British Indians, most desirable that humiliating and restrictive legislation should, as far as possible, be avoided.

Repeal, however, of the Asiatic Law Amendment Act, 1907, implies not only the discontinuance of the methods of identification by finger-prints, but the surrender by the Transvaal of certain powers of exclusion, which the whole white community has determined that the Government shall retain and exercise.

The Asiatic Registration Amendment Law of 1908 allowed signatures to be taken only in the case of educated property possessors and well-known Asiatics, and finger-prints in other cases, and also prescribed that no regulation should be enforced to which the Asiatics had religious objections. The objectionable part of the Asiatic Law Amendment Act was cancelled, but Indians still remain subject to its provisions, and do not come under the Immigrants Restriction Act, which provides in the case of healthy, sane, and satisfactory immigrants a dictation test only, in some European language.

LORD SANDERSON'S COMMITTEE.

A Committee appointed in March, 1909, to report on Indian emigration to the Crown Colonies and Protectorates, of which

Lord Sanderson was Chairman, fully considered this general question and reported* :—

(1) That subject to certain recommendations in regard to individual colonies, the system of indentured immigration as actually worked is not open to serious objection in the interests of the immigrant labourer.

(2) That Indian immigration is of the greatest assistance in developing the resources of some of our tropical colonies, and in increasing their prosperity.

(3) That in the present condition of India, indentured emigration is the only practicable form of emigration to distant colonies on any considerable scale.

Lord Sanderson's Committee had no concern, of course, with self-governing Dominions and in no way helped to a solution of the difficulties in South Africa.

It was urged on behalf of the Indians in the Transvaal that a system of identification by finger-prints is degrading, although such a system is enforced without the slightest objection in every registry office in Bengal, besides being used in many parts of India in commercial transactions. It was, moreover, adopted by the Indian Government in 1899 as an efficient method of preventing perjury and personation, and is a system against which no objection can be raised on the grounds of religion, caste, sex, or rank in society. An excellent authority has also given as a good reason for its introduction the fact that "there was no prejudice to be overcome in obtaining the finger-prints required."† At present, moreover, such test is in practice only exacted from uneducated Indians who have no formed handwriting.‡ The fact is that under existing conditions in British India the unrestful English-educated malcontents are on the look-out for any grievance, and take any opportunity like this which offers for attacking the Government.

The Asiatics in the Transvaal themselves have accepted the position that further immigration of their fellow-countrymen should be stringently restricted, but it is not unnatural that

* Cd. 5192.

† "The Classification and Uses of Finger Prints," by Sir Edward Henry.

‡ Cd. 5579, 1911. Union of South Africa: Bill to regulate immigration.

domiciled Indians who have left the Transvaal have returned to India with feelings of resentment at the treatment they experienced at the hands of their European fellow-subjects. Such resentment is not without some justification, of which the disloyal elements in the Indian population are swift to make use. The Asiatic Law Amendment Act, which was based upon the assumption that there was a considerable illicit immigration into the Transvaal, has been replaced by a new Validation Act, to which Asiatics take no great exception. It was, in fact, a sentimental grievance, which Asiatics ventilated against a law which had already become practically inoperative. There was more point, however, in their request that the right of educated Indians to enter the Transvaal, unrestricted by general immigration law, should be recognised.

It is evident that no step more fatal to the Empire can be taken than to attempt to force on colonists a code of conduct, such as could never be made applicable to inhabitants of Great Britain, in regard to their relations with the inhabitants of other non-European countries, whether or not such are fellow-subjects of the Crown.

Behind the trivial points at issue in the dispute in the Transvaal lies the tremendous question of the relations between Europeans and Asiatics, in which the self-governing colonies are most interested, and which must settle such questions for themselves.

Keen sympathisers with Indians in the Transvaal should not, however, be blind to the fact that it is gross hypocrisy for England to denounce a colony for taking in the face of competition on the part of Asiatics, precisely that action which the British Government, by itself, or under pressure from the Labour Party, would at once take in the same circumstances in Britain, nor do the Native Indian Governments at all observe the principle that all British subjects should have equal treatment under all Governments in the British Empire, for Europeans are excluded by a colour bar from settling within the limits of several of the Native States in India, and in other cases they can only do so with the express permission of the Government. It is also somewhat inconsistent that

this theory should be advanced from India at a time when Babus of Bengal and Brahmins of the Deccan, who claim to be representative of the peoples of India, are urging the expulsion of the English from that country, and indeed have organised a spirited campaign, after the Russian Nihilist model, for the assassination of the British officials. The fact is that no colony is likely to relinquish what Lord de Villiers, Chief Justice of the Cape, described "as one of the most precious privileges of any community, that of deciding for themselves of what material the future nation shall be built." Least of all will the colonists in the South African Union relinquish this privilege when they have before their eyes the case of Natal, which, having, in haste to obtain labour, accepted the condition of the Indian Government that imported Asiatics should be allowed to settle in the Colony, now possesses a population in which the Asiatics number thirteen to every ten Europeans. In Natal the former have replaced the European artisans, cultivators, and tradesmen, and have invaded the professions and the highest walks of commercial life. Sir Arthur Lawley, Lord Milner, and Lord Selborne have pointed out* that unless white society is allowed to legislate for its own protection, the conditions of South Africa will be assimilated to those of India, and she will not be able to maintain control if the natives rise, or to protect her own shores, without a paid army imported from Europe.

The theory that all subjects of British Imperial rule are entitled to equal treatment in every part of the Empire must break down wherever it is exposed to a working test. Carry this theory to its logical conclusion, and it will be necessary to reserve the tropical possessions of Great Britain for the Indian, and the temperate zones for the European, colonists, and any attempt to coerce the self-governing colonies in this behalf can only result in their ceasing to be integral parts of the Empire.

Another aspect of the case which arises is that the spectacle of British-Indian subjects combining together to break the law is not very improving for the masses of our native African

* Cd. 2239 of 1904, p. 28; Cd. 3308 of 1904, p. 2.

subjects, and may indeed well prove *pessimi exempli*, nor can the British Government, with any consistency, urge that action should be taken by a self-governing colony which it did not itself take when the territory of such colony was actually administered by itself as a Crown Colony.

The whole subject is one eminently worthy of attention from the Imperial Conference, at which, however, no more than a resolution was carried calling for greater uniformity in Imperial legislation on the subject.

No claim of the natives of our colonies and foreign possessions to share with white citizens the obligations of citizenship, and the corresponding social and political rights and privileges, will colonials concede, and any attempt to force upon them any such system can only result in the transference of territory now directly or indirectly under our rule to that of some more virile and sensible community. Nor is such a community wanting, or unwilling to take over so great and glorious a charge.

The difficulties of the situation, far from diminishing, are only likely, as time passes, to increase. For instance, although the great need by common consent of Australia is population, the Labour Party now in power in the Commonwealth use all their influence and power to prevent immigration, and appeals addressed to them on the score of the need for the development of the dreary solitudes of a vast unpeopled continent are made in vain.

At the present moment a Bill* is before the Union Parliament of South Africa for the Repeal of the Asiatic Registration Act, for the removal from the text of the Immigration Act of 1907 of any differential bar to the entrance of Asiatics as such, for the substitution of an education test on the Australian principle, and for providing by regulation for the entrance each year of a limited number of educated Indians. It is, however, as the Prime Minister, General Botha, hinted in a dispatch to the Colonial Office, only too probable that this settlement will not be accepted as final by all the parties

* Cd. 5579. Union of South Africa: Bill to Regulate Immigration into.

concerned, but will become a fresh starting-point for another agitation for new demands in the future on the part of agitators in India, who work upon their fellow-countrymen in South Africa, at least in part to serve their own ends.

Immediately before the Imperial Conference met in London in 1911 General Botha announced that a provisional settlement had been reached in regard to the question of Asiatics in the Transvaal upon lines approved by the Imperial and Union Governments, and that the passive resistance movement had been abandoned. In addition to those, to which reference has already been made, the following further concessions have been allowed to the Indians by the Union Government.

(1) Asiatics in South Africa, who have not applied to be registered in consequence of the passive resistance movement, are permitted to make application within six months.

(2) Thirty Asiatics now in India, who were deported under the Acts of 1907 and 1908, or who left in consequence of the passive resistance movement, and who otherwise would be entitled to registration, can return and apply within six months.

(3) Six educated Indians will be admitted annually free from registration. For the present year ten Indians now in the Transvaal may remain under temporary permits as special cases pending fresh legislation.

(4) Well-educated and well-known Asiatics are exempted from thumb-prints when making application.

General Botha expressed his great satisfaction at the settlement, and said that this difficult problem had been solved at the right moment, that the Indians should realise that in framing these regulations great difficulty was experienced in obtaining the concessions made, and that he hoped that Indians both in South Africa and in India would understand this and play their part, fully assured that the Transvaal Government was actuated by no feelings of hostility against them.

SOCIALIST LABOUR PARTY.

The general policy of the Socialist Labour Party in Parliament is to support the native inhabitants of any British

possession against the claims of the European settlers in such colonies and dependencies. It is singular that those who are specially elected for the protection of British labour in Great Britain should object to any protection whatever being given to their fellow-countrymen *in partibus*. Such, however, is invariably the case; and although the Government of Sir Henry Campbell-Bannerman is entitled to the credit of having exercised courage and forethought in the settlement of South Africa, the Boers, in that region for whom his administration always professed affection and admiration, by no means carry out a pro-native policy, neither can such a policy stand the test of competition between British and native labour in South Africa, or any other part of the world.

So strongly does the Labour Party take the pro-native line, that the Under-Secretary of State, Colonel Seely, behaved with exemplary courage in denying in Parliament "that in respect of humane treatment of the natives in South Africa we have a monopoly of morality in this House."*

This attitude is, moreover, by no means confined to the Labour, but characterises a large and influential section of the Radical Party, which contained at least one eminent parliamentarian, the late Sir Charles Dilke. Even in his case sympathy with the native seemed invariably to connote distrust of the European, and in the case of lesser lights of the like mind this prejudice against the white man is a strong and constant feature.

CABLES.

Turning to other matters which engaged the attention of the Imperial Conference, the cable question, of course, again came under consideration. Australia favours the nationalisation of the Atlantic cable so as to ensure a State-controlled system from Great Britain across Canada to Australasia, a proposal with which New Zealand is in substantial accord. Indeed, a State-owned Atlantic cable is a logical corollary of the action of the Mother Country, Canada, Australia, and New Zealand in providing a Pacific cable from Vancouver

* Parliamentary Debates, 1909, vol. 9, p. 1598.

via Fanning Island to New Zealand and Australia. From this has resulted a reduction of the ordinary rates between Great Britain and Australia to 3s., and for the press to 9d., a word. A further reduction in the Atlantic charges is long overdue, but as the traffic between the United Kingdom and Canada is only a fraction of that between the United Kingdom and North America, and the lower rate granted in the one, would necessarily be applicable to the other, case, it has been proposed to establish a State-owned line from Scotland *via* the Faroe Islands, Iceland, Greenland, and the coast of Labrador. Of course this route is not "All Red," but the exceptions, Iceland and Greenland, are Danish territory. Nevertheless, resolutions advocating a State-owned Atlantic cable were withdrawn at the Conference, after a motion in general terms in favour of a cheaper rate was carried. No doubt the reason for withdrawal was that the Postmaster-General, Mr. Samuel, stated that negotiations were in progress with the private cable companies, but the reductions suggested were so large as to create doubt as to their success.* A resolution was passed to the effect that if they proved unsuccessful, a subsidiary Conference should be held to reconsider the subject of a State-owned cable.

"ALL RED" ROUTE.

Resolutions were passed in favour of an "All Red" mail route from Great Britain to Canada, Australia, and New Zealand, and of Imperial co-operation in commercial relations. To this Sir Wilfrid Laurier carried as an addition the appointment of a Royal Commission representing the United Kingdom and the Dominions to investigate and report on the whole subject, including the question to what extent, if any, trade between each of the different parts of the Empire has been affected by the existing legislation in each part, and by what

* Mr. Samuel announced on December 27, 1911, that after January 1, 1912, plain language telegrams for Australasia, Canada, India, South Africa and other British Oversea Dominions, and the United States will be accepted at half the ordinary rates, on condition that they may, if necessary, be deferred for 24 hours in favour of full rate traffic.

methods, consistent with the existing fiscal policy of each part, the trade of each part with the others may be improved and extended.

TREATIES.

A very important resolution was moved by the same statesman, and carried with the approval of the other four Premiers and the Foreign Secretary, whereby the British Government was asked to open negotiations with foreign Governments having commercial treaties with us which apply to the Dominions, in view to securing liberty for any Dominions which may so desire to withdraw from the operation of the treaty without impairing its validity in respect of the rest of the Empire. This was supported by reference to the experience of the Commonwealth Government, which, when it wished to give preferential treatment to British products carried in British ships was prevented from so doing by "the most-favoured nation" clause in certain treaties. A similar difficulty arose when Canada desired to give a preference to the Mother Country, and as there are in existence twelve treaties containing the obnoxious clause the question is one of great importance.

TARIFFS.

Although the tariff question is no less important than that of Imperial Defence, it has only reached its present prominence with the amazing development in the last reign of the different parts of the Empire. Whether or not the so-called Free Trade of England can be maintained in this country, it is already obvious that Imperial Union is incompatible with a policy of Free Trade here and a policy of Protection in all the self-governing Dominions, and in no long time a choice will have to be made between free imports and Imperial Union. That the subject has not been discussed at the Conference is due to the fact that the party in power in Great Britain was recently returned, as may be fairly contended, by an electorate inclined on the whole to prefer Free Trade, though it might also with reason be argued that the largest party in the State, that of the

Conservatives, is the Imperial Preference and Tariff Reform Party.

Treaties with Belgium and Germany were denounced in 1898 because they established the principle that the Empire consisted of separate commercial units, whose arrangements with each other might be taken to constitute discrimination against foreign Powers, and in 1903 the preference Canada gave to Great Britain led to a tariff war between herself and Germany. Canada stood stoutly by Lord Salisbury's contention that a tariff concession given by one to another part of the Empire is a matter of domestic concern, and cannot properly be regarded by foreign Powers as coming within the province of most-favoured nation treaties. This principle, so vital to Imperial co-operation, is now pretty well established, but if the Dominion Governments can carry on separate commercial relations with foreign Powers, it must necessarily be abandoned. It is not probable, however, that Britain will be able to maintain her interpretation of the most-favoured nation clause to the effect that the most favoured shall receive all favours extended to any other nation. This is the interpretation she adopted, with the adoption of Free Trade, after which she could no longer expect favours as the result of bestowing them. The principle is incompatible with that of fiscal autonomy for the self-governing Dominions, has not been accepted by other Powers, and is rejected, to our loss, by the United States.

INCOME TAX.

The Chancellor of the Exchequer summarily disposed of a proposal put forward to abolish the duplication of taxation, and particularly of income tax, by the Imperial and Colonial Governments, which of course occurs also in the case of India. Nevertheless there is a good deal to be said for the objections which are raised to the present procedure, and there is at least a colourable case of injustice, though on the other hand it may be regarded as equitable that payment should be made to the Government of the country in which income is made, as well as to that of the country in which it is spent.

SHIPPING COMBINATIONS.

The home Government also intimated that it was not prepared to take any action dealing with shipping combinations based on the system of deferred rebates, which endows a shipowner with considerable power over his customers and has the effect of practically establishing a monopoly on certain routes. It is true that the Royal Commission of 1906 did not recommend any far-reaching reforms, but the Majority and Minority Reports alike suggested certain changes upon which further action could be based. There is a probability that if some relief is not proposed by the Board of Trade steps will be taken by the Dominions concerned to remedy grievances which are felt to be alike serious and susceptible of removal.

IMPERIAL COURT OF APPEAL.

The Commonwealth representatives were of opinion that an Imperial Court of Appeal had become a necessity. So long as the Judicial Committee of the Privy Council is the court of final resort for the Colonies and Dependencies, while the House of Lords occupies the same position in respect of the United Kingdom, there can be no uniformity of judge-made law and identity of standards, nor can the Court of Appeal, which holds that position in respect of the Colonies only, satisfy the requirements of an Imperial Court. Moreover, the Judicial Committee does not contain representatives of the self-governing Dominions from which appeals are brought possessing the necessary local knowledge for their disposal. It was suggested that judges from each of the Dominions should serve a term on the Committee, but no definite decision was reached upon this or upon any other point in regard to this admittedly important subject. Lord Haldane* has, however, since introduced in the House of Lords an Appellate Jurisdiction Bill, whereby it is proposed to lay the foundations of a stronger single Court of Appeal for the whole Empire, which could sit both as a House of Lords Court of Appeal and as a Judicial Committee of the Privy Council, but not, as at

* Parliamentary Debates (Lords), August 1, 1911.

present, so as to clash one with the other, and to make the provision of judges, especially for the Judicial Committee, a matter of difficulty.

ENFORCEMENT OF ARBITRATION AWARDS.

A resolution was, however, carried calling for some arrangement whereby awards under commercial arbitration given in one, can be enforced in another, part of the Empire, and the final session was marked by the passing of two resolutions the importance of which will depend on the manner in which they are carried out. The first was to the effect that it is desirable that Ministers of the United Kingdom and the Dominions shall, between Conferences, exchange reciprocal visits; the second that the Government shall take into consideration the possibility of holding Conferences in one or another of the Overseas Dominions.

DEFENCE.

The proposal made by New Zealand in favour of an Imperial Council of State to advise the Imperial Government in all matters affecting the Dominions, though it was not carried, met with considerable approval, because it is felt that the creation of such a Council would be an important step in the direction of Federation, and might foreshadow a future in which the Dominions would share in the effective control of the Empire, the daughter States of which have already far outgrown that stage in which they were, or could be, content to leave the control of their foreign relations entirely in the hands of the British Government. Their present conditions demand new openings for commerce and for intercourse with foreign nations. Australia and New Zealand will soon have a fleet of one Dreadnought, three cruisers and six destroyers, while Canada is preparing to construct five cruisers for home defence. It is obvious that difficulties such as arose when the Imperial Government concluded the New Hebrides Convention, without consulting the Commonwealth of Australia, must recur, and may become more formidable in the future. Delicate questions must arise regarding the immigration of

Asiatics into Australia, and of Europeans into Japan, and some system must be developed under which such matters will receive adequate consideration, and in which the interests of the Empire, and of individual Dominions will be adequately and equally safeguarded. The question, baldly put, is, Are the interests of the United Kingdom in the future, whether immediate or remote, to be those of the Empire as a whole?

The Dominions and Colonies no longer live outside the ambit of international politics, nor now enjoy immunity from international troubles and obligations, and the whole position is altered by the addition of strong navies to powerful armies in the case of three of the greatest Powers. It is doubtful whether this country can any longer continue adequately to protect her Colonies, especially as owing to the rapid increase in German naval construction, almost the whole strength of our fleet is now concentrated in the North Sea.

It is matter for congratulation that the First Lord of the Admiralty, Mr. McKenna,* described the naval arrangements recently made with the Dominions as most satisfactory. Reviewing the gift of a Dreadnought cruiser by New Zealand, the resolve of Australia and Canada to develop fleets of their own, and of South Africa to continue to assist the British Navy with an annual subvention, he announced that, where the Dominions have undertaken to develop fleets of their own there would be interchangeability of officers and men and such common standards of training and discipline as to insure in the event of war that the joint fleets would act in complete union. This is an announcement of the first importance.

It is not now a matter of course that navies of the Dominions will come under the Admiralty in the event of war, but the Canadian Government, at the end of July, 1911, presented to their Parliament a memorandum embodying a scheme of conjoint naval organisation agreed upon at the recent Imperial Conference.† By this it is provided that the "naval services and forces of Canada and Australia will be exclusively under the control of their respective Governments, that the training and discipline of such forces will be generally uniform with

* Speech at Pontypool, June 13, 1911.

† See page 14.

the training and discipline of the British Navy," and that "in time of war when the navy of a Dominion, or any part thereof, has been put at the disposal of the Imperial Government, the ships will form an integral part of the British fleet, and will remain under the control of the British Admiralty during the continuance of the war."

This memorandum is a refutation of Sir Wilfrid Laurier's contention, which has also been put forward and vehemently repudiated in South Africa,* to the effect that the Dominions can be independent in time of war.

It is already decided that the Prime Ministers of the Greater Dominions shall not only be consulted at the periodical Imperial Conference upon matters of internal moment, but that they shall also attend meetings of the Committee on Imperial Defence.

Meanwhile the Greater Dominions are preparing to defend themselves. Under the Australian Defence Act of 1910, wherein are embodied Lord Kitchener's recommendations to the Federal Government, the Commonwealth has been divided into 215 military areas, each of which is under the command of a Commissioner, assisted by one or two non-commissioned officers.

The era of compulsory service was inaugurated in July, 1911. One hundred and five thousand boys of from 14 to 18 years of age have been brought under the immediate discipline of a training that requires at least four whole-day and 12 half-day parades and 24 night drills a year. Next year 30,000 youths of 18 will enter the ranks of the National Militia, and in each succeeding year similar batches will follow, so that in seven years the citizen army will number, allowing for wastage, 120,000 trained men.

The same month witnessed the inauguration of the compulsory Naval Force, the total required enrolment being 3,700. There are two sections of the force, an adult, and a

* The South African Defence Bill adopts as its fundamental principle the liability of every citizen to serve the State in time of need, and to prepare himself by regular training in the use of arms. A system of rifle associations and of compulsory cadet training is also provided, and the principle of a cash contribution to the British Admiralty is maintained.

cadet, reserve, the ages of the latter ranging from 14 to 18 years.

The cadet system, which was proposed for adoption in England by Lord Haldane, but dropped by the Government to satisfy the Socialists, has been adopted in the State schools in Australia, wherein there are upwards of 50,000 well-trained cadets, who are subsequently taken over by the volunteer and militia organisations.

This lesson might well be learnt at home by politicians, who never weary of holding up for imitation the example of Australia in having, under wholly different conditions from such as obtain in Britain, adopted woman suffrage.

"Of two such lessons why forget
The nobler and the manlier one?"

In New Zealand also compulsory military training is most popular, and the Socialists in a decided minority, while in the Australian Commonwealth generally the purely voluntary system is allowed to have broken down, so that every colonist regards it as ignominious to allow the burden of his defence to rest on others than himself.

This spirit, and the earnest appeal made to politicians to be patriots first, are full of hopeful augury, and England, while herself still unprepared for compulsory training, does not hesitate to applaud, without imitating, the enterprise and patriotism in this behalf of daughter States.

Australia has not yet accepted the recommendations of Admiral Henderson's report, but if, as is not unlikely, she does, she will embark on the construction of eight Dreadnoughts, 16 protected cruisers, 18 destroyers, 12 submarines, and the usual complement of subsidiary ships. When she has a fleet of these dimensions she must have a foreign policy, and the same argument applies to the other Dominions, though Great Britain can hardly be committed by the policy of the daughter States on questions of war and peace.

CRITICISMS OF GENERAL RESULTS.

It must be reluctantly admitted that the results of this Conference, at which so many points of Imperial importance were

raised, have been disappointing. The *Cape Times** discovered no sign of advance, but rather of retrogression, in regard to both closer political and commercial union, and found support for this opinion in the resolution extending to Dominions liberty to make independent commercial treaties with foreign countries, and in the omission to deal with the Imperial Preference policy which was accepted at the previous meeting. There is only too much truth in the following words: "The Imperial Conference is being stifled in deference to the fears of the politicians, both of Great Britain and the Dominions, who are afraid to open their windows to the Imperial air lest party interests in a domestic sense may suffer. Some means must be devised to prevent what was intended to be an Imperial gathering, called to discuss Imperial questions from an Imperial standpoint, from degenerating into a hollow makeshift of windy pretence, where Imperial questions likely to prove troublesome in local party politics are excluded by mutual agreement, and suppression is commended to the Empire as a notable step towards better mutual understanding."

The Johannesburg *Star*,† while declining to consider the results as disappointing in all respects, hoped the Overseas delegates at the next Conference would be able "to devote most of their attention to concrete measures rather than to the discussion of principles." The Australian Press hoped that the Prime Minister, Mr. Fisher, would adopt a wider outlook than was usual with members of the Labour Party, and urged the importance of giving practical encouragement to capital and immigrants. Sir Wilfrid Laurier's foreign treaty proposals were criticised as entirely opposed to the Imperialist ideal and a complete negation of the Imperial idea, since, if they were adopted, one portion might have better tariff terms with a particular country than were enjoyed by another portion of the Empire. Generally speaking, public feeling in Australia was unfavourable to the opinions and proposals of the Canadian Prime Minister and could not understand why he opposed Mr. Harcourt's contemplated Standing Committee of Dominion representatives as involving Imperial interference, unless

* June 22, 1911.

† June 21, 1911.

he confounded the autonomy with the isolation of the Dominions.

The general feeling that little or nothing was really accomplished was expressed by Mr. Fisher when he took refuge in the oracular statement that "the Conference has broadened the basis of Imperial unity," and by Mr. Batchelor, his Minister for External Affairs in the Commonwealth Government, when, while professing to be satisfied with the results, he said: "Although it was not found possible for the moment to develop further the organisation of the Empire, yet aspirations for a better organised political union have had no kind of set-back; on the contrary, our feeling of close comradeship among the members of a united Empire has been strengthened. In all that makes for the Empire's unity there has been a great advance. No one has banged any doors." An Imperial Conference would appear, therefore, to be successful if it results in no set-back, and if no one—as it seemed necessary to protest—has banged the doors!

HOUSE OF COMMONS AND INDIAN INDENTURED LABOUR.

Many other questions connected with the Colonies and Dominions become from time to time the subject of controversy in the House of Commons, but they are as a rule not subjects of much general interest. An example is the labour question in the island of Trinidad. A member of the Labour Party continued from 1906-1910 to ask questions on behalf of the Trinidad Working Men's Association, but these ceased to have much interest when the Under-Secretary of State * informed the House that the membership of this Association, according to the latest available figures, was only 223. Lord Sanderson's Committee found no such result as reduction of wages or unemployment from the use of indentured labour.

Frequent objections are taken in Parliament by the Labour Party to the supply of Indian indentured coolie immigrants into the Western Indies, though the prosperity of some of these islands entirely depends on this class of labour, the supply of which is equally beneficial to India and the West Indies, and

* Parliamentary Debates, 1909, vol. 4, p. 1028.

notwithstanding the report * favourable to this movement of labour and to its conditions, which was made in June, 1910, by the Committee on Emigration from India to the Crown Colonies and Protectorates. This report made mincemeat of all contentions regarding the inherent wickedness of indentured labour, which are articles of faith with the Labour Party.

The Committee reported that Indian indentured immigration had rendered invaluable service to our Colonies in which a supply of steady labour has been required for development by methods of work from which the native population is averse, both by supplying labour and by the example afforded by the Indians of thrifty and persevering habits, that those who remain after the expiry of their indentures prove a valuable addition to the population as orderly and law-abiding members of the community, that the system is not open to serious objection in the interests of the immigrant labourer, that such emigration should only be conceded to colonies which allow time-expired immigrants to settle on the land, that it does not lower the wages of the native population or older colonists, but provides taxpayers who contribute in no inconsiderable degree to the revenues of the colony in which they settle.

DINIZULU.

Another matter, also in the hands of the Labour Party, assisted by Radicals, Socialists, and Irish, was the treatment of Dinizulu, who, having adopted an attitude hostile to the British Government, was immediately provided with numerous allies in the House of Commons. Interest in, and sympathy with, this potentate reached its climax when the Natal Government were constrained to take criminal proceedings against him in 1907. He was sentenced to four years' imprisonment for harbouring rebels. It was immediately suggested that it was advisable to remit this sentence because he was convicted of crimes less serious than rebellion and murder.† Urgent cables were sent to South Africa to satisfy

* Cd. 5192 and Cd. 5194.

† Parliamentary Debates, 1909, vol. 1, p. 1575 ; vol. 2, 1909, pp. 733, 743.

the anxiety of honourable members who feared that the imprisonment might be of a rigorous, or at least uncomfortable, character.

The fact that a handful of fellow-countrymen had to preserve their lives and goods amongst a vast African population was as usual entirely overlooked.

SOUTHERN NIGERIA.

Leaving South for West Africa, a Committee of Inquiry into the Liquor Trade in Southern Nigeria was appointed in 1909, under Sir Mackenzie Chalmers, with the result that the allegations, supported in high quarters, against British officers and British policy, broke down with ludicrous completeness.

The views of the group above mentioned received a severe check when this Committee reported (1910) that the natives of the country had always been alcohol drinkers, that the spirits imported were of good quality and contained nothing of a dangerous character, both the rum and the gin being of about the same quality as the better class of spirits sold in England, that no deterioration of race had taken place which can be attributed to the use of alcohol, that general sobriety was a characteristic of the people, that the standard of sobriety in Southern Nigeria was higher than that of the United Kingdom and compared most favourably with that of other colonies inhabited by negro races.* So in India the native Press is becoming restive under the representations of the friends of India in Parliament that her sober population is addicted to drink. "It would be impossible to abandon a substantial source of revenue. It is not likely that diminution of shops will discourage sale. The result is not what temperance reformers want or what is beneficial to the people. Government only takes more cash out of the pockets of the poor, who spend a larger proportion on drink and less on food of their small resources."†

It seems unlikely at present that the British campaign against the use of stimulants—by others—will succeed.

* Cd. 4906, 4907; *The Times*, June 30, July 7 and 14, 1911.

† *Indian Patriot*, June 19, 1911.

MASAI.

A typical instance of the kind of intervention which makes the proper conduct of affairs in British possessions increasingly difficult occurred during the debate in Supply on the Colonial Office* in July, 1911. The leader of the Labour Party, Mr. Macdonald, attacked the Colonial Secretary for curtailing the grazing areas enjoyed, but not exclusively enjoyed, by the Masai tribe in the East Africa Protectorate, and the local administration for an alleged failure to deal with a case in which a native was slain by a white man. The Colonial Secretary had no difficulty in repelling the attacks, but it is interesting to see the anti-British party in Parliament driven to support the extremest rights of landownership, the most extensive sporting rights, and general quasi feudal claims on behalf of a small tribe of aristocrats who have the use of 1,300 acres per family as against an average of twenty acres enjoyed by the ordinary working agriculturist of East Africa, over whom the Masai claim and exercise quasi baronial rights.† In Persia the soldier, riever, rover, and swashbucker are picturesquely described as blood-drinkers. The Masai literally drink blood drawn from their living cattle, hate honest work, like any agitator, and are as idle and as rich as any tribesmen, to be found in all Africa. Were they white they would be held up to everlasting obloquy as tyrannical landlords; but the pigmentary privilege avails to secure for them the patronage and support of the Labour Socialist party, which vigorously denounces privilege in the case of any white man and particularly of a fellow-countryman.

WAS THE IMPERIAL CONFERENCE OF 1911 A SUCCESS?

NO.

1. The actual results were very small. The Colonial Office put forward little or nothing of a constructive character. The proposal for establishing a Standing Committee was half-hearted, and not pressed.‡

* Parliamentary Debates, July 21, 1911.

† Mr. Grogan, in *The Times*, July 21, 1911.

‡ Mr. Lyttelton, Parliamentary Debates, July 21, 1911.

2. The reference to the Royal Commission to be appointed excluded Imperial Preference, and did not include in its purview the Crown Colonies. Thus the most important of all subjects is excluded from investigation.

3. The Home Government, after receiving the report of the Commission on the relations between the West Indies and Canada, was naturally afraid to give the new Commission a chance to be converted in the like manner to Tariff Reform. Co-operation is almost impossible in an Empire consisting of a Mother Country under Free Trade, and Dominions under Protection.

4. The admission of the Dominions into the Cabinet circle as regards questions of foreign policy, though satisfactory, was not due to the Government, but to the House of Commons.*

5. The exclusion of the Crown Colonies from the reference to the Royal Commission is indefensible, seeing that their population is twice that of the Dominions.

6. The introduction into the resolution of the words "consistent with the existing fiscal policy" will allow overtures from the United States to Newfoundland and the West Indies, on the lines of the defeated Reciprocity Agreement.

7. The important question of co-operation in emigration was left unsettled, as was also the question of the sale of liquor to natives.

YES.

1. The results were most satisfactory, if only the new departure be considered, in accordance with which the foreign policy of the home Government was discussed with the Dominion Prime Ministers.

2. Cheaper postal and cable rates resulted.

3. The Government was bound to limit reference to the Royal Commission to methods consistent with the existing fiscal policy, being itself bound to that system by the results of two successive General Elections. The Dominions desired no change which would increase the burdens on the poor in England.

4. The Royal Commission applies only to the Dominions which were represented at the Conference, and could not well be extended to India and the Crown Colonies which were not represented.

5. The existing Secretariat at the Colonial Office, under the arrangements made by Lord Elgin, admittedly prepared the material for the Conference in a perfectly satisfactory manner.

6. The consultations with the Committee of Defence have been a great success, and were of immense value.†

* See page 156.

† Mr. Harcourt, Parliamentary Debates, July 21, 1911.

BIBLIOGRAPHY.

- Imperial Outposts.** By Colonel A. M. Murray.
The Colonies and Imperial Defence. By P. A. Silburn.
Yesterday and To-day in Canada. By the Duke of Argyll, K.G.
Cape Colony. By Rt. Hon. John Xavier Merriman.
A History of the British Dominions Beyond the Seas. By A. H. Forbes.
Expansion of England. By Sir J. Seeley.
The Government of Great Britain. By W. F. Trotter.
Papers laid before Imperial Conference, 1911. Cd. 5745.
Précis of the Proceedings of the Imperial Conference, 1911. Cd. 5741.

CHAPTER VI

TRADE RELATIONS AND TARIFF REFORM

TEN years ago any man who denied that our existing system of free imports was other than the best possible was looked upon as a crank, and as one bereft of understanding. His views were regarded as eccentric and unworthy of serious attention till Mr. Chamberlain took in hand this all-important subject, when the impregnability of our fiscal system was soon shown to be a snare and a delusion. In less than ten years from the beginning of Mr. Chamberlain's campaign conditions have so altered that it would be fair to assume the existence of a majority in Parliament against Free Trade, if the complications introduced by other political questions were absent.* This position has been achieved in the face of many obstacles. Amongst others, the political party advocating Tariff Reform was handicapped by having had a long spell of office, which had made them unpopular in the country, and the proposed changes gave opportunities for misrepresentation, of which their opponents could hardly be expected altogether to forego the use. Notwithstanding these disadvantages, the movement has progressed, and is progressing, to such an extent as to keep its opponents in a condition of anxious activity. To the necessity of showing that the present fiscal system is not incapable of expansion and of proving that under it the condition of the people can be improved, may in a great measure be attributed the programme of social reform upon which the Government of Mr. Asquith has embarked. Whether time will show that the burdens which the present administration

* It is reasonable to assume that the Irish Nationalist Party, if the Home Rule question could be eliminated, would support a change in our fiscal system, from which Ireland certainly has gained nothing.

is piling upon the State cannot be borne under the present fiscal system is the subject of another chapter.* If such burdens prove too great to be borne the "Free Trade" party will have killed the "Free Trade" system as a practical policy, just as by their social reform measures they are killing the theories upon which their predecessors built up the doctrines of "Free Trade."

THE MANCHESTER SCHOOL.

"Free Trade" was logically advocated by the Manchester School of Cobden and Bright as part of a policy which restricted the interference of the State to the smallest possible dimensions. With perfect consistency they opposed the Factory Acts and Trade Unions, and they would have been horrified at such measures as Old Age Pensions, National Insurance, and Eight Hours for Miners.

The social reform programme of the Government is no doubt indirectly intended to demonstrate the soundness of our fiscal system. Nevertheless it also indirectly assists Tariff Reformers, since it accustoms the public mind to State action in all the aspects of industrial and commercial life. Adherence to our present fiscal system is no longer associated with a general belief in the restriction of State action. It becomes a thing apart to be justified only by proof of the existence of special conditions attaching to the trade of this country. The more social reform measures are passed the more insistent will become those doubts, which have already invaded the public mind, as to the reason of a fiscal system, which leaves uncontrolled our foreign commercial relations, while conditions closely affecting our home trade are minutely regulated by Parliament.

STATE INTERFERENCE WITH INDUSTRY.

According to the workmen's creed Parliament very properly insists upon healthy, sanitary labour conditions, and rightly sanctions combinations of workers to regulate wages and hours of labour. All this is done in the interests of efficiency and

* See "Finance and Taxation," Chapter XII.

fair treatment, but it all means additional expenditure for the employer, and increases the cost of production. If, however, such restrictions and burdens upon industries are applied all round, at home and abroad, no one suffers injury. The cost of living continues no doubt to be increased, but wages rule higher and general standards are raised.

EASTERN COMPETITION.

The imperfection of our system is seen when manufactures which have been produced under these State-regulated conditions come into competition with manufactures produced without any artificial increases in cost. The contrast presents itself in the acutest form when West competes with East, wherein the ruling standards of comfort and the cost of living are from the European standpoint so low that wages are pitched upon a scale which a Western workman would consider unthinkable.* Without taking into account the advantage derived from a protective tariff in an Eastern nation, the Western manufacturer is handicapped by higher wages and by State restrictions. So far, then, as the Eastern market is concerned the Western product cannot hope to compete with the Eastern manufacture,† and in the neutral markets of the East the lower wages paid by the Eastern manufacturer give him an immense advantage over his Western competitor. But although European industries are bound to be at a disadvantage in these markets it is difficult to see what can be done to place the Western competitor upon a more equal footing. Great Britain, of course, is fortunately circumstanced in her possession of India, and the falling off in the exportation of cotton goods by the former to the latter country in recent years is due to the rapid growth of the Japanese cotton industry,

* In Japan the wages of male textile workers are 10½d. and of female textile workers 5½d. a day (Cd. 3727-235, Report of British Consul-General for Japan, 1907, p. 50).

† The Lancashire cotton trade was able to overcome the advantage which the Indian tariff gave Indian manufacturers only by persuading the Government to compel the Government of India to impose a counter-vailing excise duty on the Indian production.

which enjoys in the low ruling rate of wages a great advantage over the British import. This competition is likely to become greater as years go by, since Japan is fast growing as an industrial nation. Purely theoretical Free Traders would argue that Lancashire should eventually abandon the cotton industry, since the natural advantages lie with the Japanese, but common sense forbids, and Lancashire is not likely to agree. Nevertheless, in order to keep her Indian market, Great Britain must sooner or later abandon her present policy. Fortunately India has a keen interest in retaining the British market, which absorbs large imports of her raw natural products. It so happens that under our present fiscal system some of these products are taxed. What more simple and beneficial arrangement can be conceived than that Lancashire should receive advantages in the Indian market over Japanese and other competitors, in return for preferential treatment accorded to Indian products on this side?

PROTECTION OF LABOUR.

The more direct question for an industrial population at home is the attitude to be adopted in respect of Eastern competition in Great Britain, which in a few years is likely to be more pressing. Not only Japan, but China* also is becoming an industrial nation. If their goods were produced here at the rate of wages ruling in those countries organised labour would naturally and immediately revolt. What then should be done? Clearly it is impossible to insist upon equal rates of wages and similar conditions being imposed upon Japanese and Chinese manufacturers. But inasmuch as to admit their products freely is to injure our own industries by unfair competition, they must be kept out, or only admitted

* Steel rails are now rolled and pig iron produced in China, and the latter product also sent to the United States to be rolled. The Chinese wages are one-fifteenth the rate ruling in the Pittsburg mills, while the efficiency of the skilled Chinaman is 90 per cent. of that of the white man. See *Nineteenth Century*, November, 1910, p. 918, "The Theory of American Protection," by Moreton Frewen, where the effect of the low rate of exchange is also discussed in its relation to Chinese competition.

under such restrictions as will place them upon an equality with our own State-controlled and regulated, and otherwise heavily burdened industries. Free Trade, especially that form which we possess, the system of "free imports," obviously fails to ensure equality of opportunity for home industries and home workmen. In theory, at any rate, no Free Trader would stir a finger to prevent the importation of low-waged goods, but every Trade Unionist would protest against such competition, if the goods were produced by home manufacturers. How then can he tranquilly suffer unfair competition, which differs only from that of the home manufacturer in having still less claim to protection, in view of its foreign origin? That is the question to be answered. It may be years before it presents itself in an insistent and immediate aspect, but whenever it does the Trade Unionist who will support Free Trade as against Protection will be an interesting survival of a worn-out creed.

PROPHECIES FALSIFIED.

Although the need for Protection may not appear urgent to-day, there are movements in progress in international trade which make its eventual adoption inevitable. The predictions of Cobden have been falsified by events: we have not lost our Dominions: other nations have not adopted Free Trade. It would be impossible to deny that Great Britain has made great progress under Free Trade, but the foundations and earlier developments of her industries date from the days of Protection. Great Britain had started long before other nations. Some were wholly undeveloped when she began, and the energies of others were monopolised by war. But Cobden's ideal of Britain as the manufacturing nation of the world, to which others should be content to supply raw material, and from which they should buy our manufactured products, has never been, and in the future it is very evident never will be, realised.

PROTECTION AND DEMOCRACY.

The workman is being urged to resist Protection on the round that it means low wages and dear food. With

magnificent audacity Free Importers allege that it would reduce wages to a lower level, quite ignoring the fact that in other countries wages have increased more rapidly under Protection than here under "Free Trade."* The argument that Tariff Reform is but a capitalist's selfish scheme for getting greater profits, which our workmen, under the entirely disinterested leadership of Free Trade millionaires, are too wide awake to adopt, assumes that the working classes in all other countries are blind to their own interests. The Free Traders, however, seek to prove too much. If it were the fact that Protection meant low wages and dear food, is it not certain that there would long since have been a wholesale revolt on the part of democracy against Protection, and an irresistible agitation in favour of Free Trade? But there has occurred no such movement; no worldwide, indeed it may be said no national, protest against Protection has arisen. Is it then wrong to assume that the workmen in Protected countries are content to live under that system? They are ready enough at the present day to agitate against anything they deem prejudicial to their interests.

It may at least be said that if Protection brought about undesirable conditions of life and labour, there would be an appreciably larger emigration of workmen from Protected to Free Trade countries; and since Great Britain is the only Free Trade country of importance, such emigration would for the most part move towards our shores. The facts, however, tell a different tale. The movement of population is rather from Great Britain to Protected countries. Emigration robs us annually of over a hundred thousand of the best of our population, and each good emigrant represents a capital loss to the nation. While emigration on this scale continues, it is impossible to admit that everything is for the best under our present fiscal and economic system.

Free Trade, considered particularly from the workmen's

* The table on page 275 of Cd. 1761, the first Fiscal Blue-book, shows that since 1881 wages have risen in the United Kingdom, the United States, Germany, France and Italy, but that the rise has been greatest in protected Germany.

point of view, reveals itself as the only surviving relic of a political dispensation under which he was denied the right of regulating his wages, the hours of his labour, and the conditions of his employment. Protection is indeed but the natural corollary of that modern social legislation, which interferes at every point, and on every conceivable occasion, with natural, economic, and commercial conditions.

WHO PAYS THE DUTY?

The objection taken to the adoption of measures for the prevention of unfair competition in the interest of the worker is that such action would make "everything dearer." Translating this platform phrase into more precise language, the allegation is that Protection would increase the selling price of the home article to an amount equal to the cost of the foreign article, plus the duty which, for the protection of the home manufacturer, would be levied. But though this objection is good enough for platform purposes, it has been rejected by Free Trade economists.* The argument assumes, moreover, that cheapness is the sole consideration. But modern industrial legislation has artificially increased, and in every Session continues to increase, the cost of production. If cheapness only is desired, such legislation is unjustifiable and should be repealed. No one, however, least of all no Radical Free Trader, urges its repeal. What then is more obviously just than that the imported article should be subject to such a duty as will raise its selling price to the normal selling-price of the home manufactured product. True, the foreign-made article might thus be dearer, but it could no longer be cheaper than the home-made article because it was produced under labour

* "It is obvious that cases may arise where it is not true that 'the tariff is a tax,' in the sense that the whole burden of an import duty is necessarily borne by the consumer" (Seligman, "Incidence of Taxation," 2nd ed., p. 803).

"Unless foreign products are completely excluded by import duties, such duties will partly have the effect of levying a tribute on foreign producers, the amount and duration of which may in certain cases be considerable" (Henry Sidgwick, "Principles of Political Economy," p. 493).

conditions rendering free competition inequitable, if not impossible.*

"DUMPING."

The same remarks are of equal application to the case of "dumping." Foreign-made goods are sold in the home market at a price below the cost of production, or, at a rate which fails to show an adequate profit. It cannot, of course, be disputed that the foreign manufacturer finds it to his advantage to sell in this fashion, for, as he is not a philanthropist, but a man of business, he would otherwise discontinue the practice. A strong trade combination and a protected home market enable his industry to maintain a standard price and to calculate upon a certain output, and his establishment and capital charges are calculated upon this basis. To keep works running is often a more advantageous policy than to close down or curtail operations as soon as the home demand is satisfied. The surplus production is accordingly "dumped" in other countries, and our own market being free to all, the foreign manufacturer naturally turns his attention to the United Kingdom, wherein his surplus goods are sold at a price which is lower than that of the home-made article, since they are free in respect of such burdens as establishment and capital charges. The advantage to the consumer here lies in the cheapness of the article, and Free Traders place that in the forefront. The disadvantages are the temporary character of the low price, and the dislocation the illegitimate competition causes the home industry. Because organisation and combination are essential to the successful practice of "dumping," it occurs more particularly in highly organised and costly industries, such as the iron and steel trades for example, which require considerable capital for their development, and employ thousands of hands, many in specialised and skilled labour.

* Adherence to the doctrine of "free imports" leads Free Traders into opposition to such a measure as a Bill to prohibit the importation of sweated goods (see Parliamentary Debates, May 12, 1911), although they supported the Trades Boards Act, the object of which is to prevent sweating in the United Kingdom.

The dislocation of the home industry is all the more serious not only because of the resulting unemployment, but because dismissed hands are driven into the overcrowded unskilled labour market, and capital is also discouraged from investment in industries which are subject to this form of competition. Tariff Reformers are consequently of opinion that the disadvantages considerably outweigh the advantages resulting from "dumping."*

FREE TRADE AND "TRUSTS."

It is, of course, quite beside the point to argue that "dumping" is the creation of the "trust" system, which flourishes under Protection. As a matter of fact, "trusts" are not the exclusive product of Protection, but coexist also with Free Trade. We are ourselves living under the "trust" system in respect of many industries, and such trusts are often of an international character, so powerful are those who now control our larger trades.† Tariff Reform would at least give the home manufacturer fair play as against foreign "trusts" which indulge in, what is to us, the pernicious practice of "dumping."

THE "DOUBLE" MARKET.

It may be said without fear of contradiction that every foreign manufacturer, and every agent in the United Kingdom for foreign firms, is enthusiastically in favour of the maintenance of our present fiscal system, which gives our foreign competitors the advantage of the double market. They monopolise

* See "Speaker's Handbook," issued by the Tariff Reform League. Chapter xiii. contains extracts from the first Fiscal Blue-book (Cd. 1760) relating to "dumping," and extracts from the evidence of witnesses before the Tariff Commission in respect of the various industries in which they are interested.

† In this country there are the Coats Combination, the Portland Cement Combine, railway and shipping combines, and many others. There is, in fact, a general tendency for industries limited in number, by reason of the immense amount of capital they require, to enter into private arrangements to limit or eliminate competition. Such protection is only effective in the case of industries requiring considerable capital, since that condition prevents competitors springing up outside the combine.

their own home markets upon favourable terms, and also enjoy the market of the United Kingdom upon terms of perfect equality with our own manufacturers. The German maker of a popular article can command a market of 100,000,000 of people, of whom 60,000,000 are Germans and 40,000,000 are inhabitants of the United Kingdom.

On the other hand, the British manufacturer can only calculate on serving a market of 40,000,000 in the United Kingdom, and even therein he is subject to competition from both home and foreign rivals. Every one who possesses an elementary knowledge of modern industrial production knows that the cost of an article is reduced in proportion as the standing charges can be spread over a large output. The larger the output the less the proportion of the standing charges which each article has to bear. Consequently the home manufacturer finds himself, under existing circumstances, severely handicapped by reason of the limited market he possesses in comparison with that which his foreign competitor commands.

NEGOTIATION.

Here Tariff Reform provides a remedy. It recognises the value of our market to the foreign manufacturer, but proposes only to allow him to enjoy it in proportion to the freedom he is prepared to concede to British goods in respect of his own market. The proposal involves the adoption of direct negotiation with other countries in regard to trade matters, such as are now undertaken by other nations. Commercial treaties of this character are in fact in a small way concluded even by Great Britain. With Japan, for instance, quite recently a fiscal arrangement was made.*

"MOST-FAVOURED NATION" TREATMENT.

The argument of Free Traders is that under the "most-favoured nation" clause Great Britain enjoys the advantages

* *Od.* 5556 of 1911. The most interesting provision is that which, in Article 8, provides that certain articles of Japanese manufacture, none of which are at present taxed, shall be admitted into the United Kingdom free of duty. That the clause should have been inserted is evidence that the Japanese Government at least contemplates as probable the ultimate triumph of Tariff Reform.

of the concessions made to other nations without the trouble of conducting prolonged, difficult, and delicate negotiations. In theory the arrangement is perfect; but in practice it does not work. Certain nations do not recognise the "most favoured" clause,* and in the case of others the complications of modern tariffs also tend to minimise and often to destroy the advantages in theory attained by the provision. Foreign countries directly concerned in negotiations naturally select for concessions those articles in which they are most interested, and sometimes the addition of a proviso limits the concession and effectively excludes Great Britain. An example of this is afforded by the clause in the Russo-German Treaty of 1894 by which a reduction was obtained upon imports of coal into Russia, to which was attached a condition that such reduction applied only to coal imported by land, which destroyed its value so far as Great Britain is concerned. Again, while 40 per cent. of Swiss, and 50 per cent. of Austrian, goods obtain special rates on import into Germany, only 15 per cent. of British imports benefit by the "most-favoured nation" clause. So while British imports into France, Germany, the United States, Austria, Italy, and Japan amount to £150,000,000, of which £95,000,000 is represented by dutiable goods, lower rates under the "most-favoured nation" clause are only secured on £28,000,000. And, of course, where the foreign tariff especially affects British goods, such as cottons under the new Japanese tariff, no bargaining between other countries can bring relief. It is admitted by Free Traders that foreign tariffs injure our trade;† but so long as the present fiscal system continues Great Britain cannot hope to obtain the

* Portugal, Brazil, and Haiti give special reductions on certain articles, and limit them to certain countries. The United States gives preferential treatment to Cuba; and apparently intended to limit the concessions offered to Canada to Canadian imports. See Tariff Commission Memoranda, 43 and 45.

† "When Mr. Chamberlain first raised the point, in the year 1903, the trade to protected countries had gone down very seriously. It is no use shutting our eyes to the fact that it was due, of course, to the imposition of tariffs against our goods" (Mr. Lloyd George, M.P., Colonial Conference, 1907).

concessions secured by foreign countries. While Tariff Reformers would use a British tariff to secure concessions, Free Traders declare that the adoption of Protection would do more harm to British industries than is, or can be, effected by foreign tariffs.

THE "EVILS" OF PROTECTION.

They warn the country against the snares of Protection. Entirely ignoring the fact that Protectionist countries have altogether failed to show those sorry symptoms which they declare would appear here if the same fiscal system were adopted, they go on preaching the creed of *laissez faire*, which they have ceased to practise in respect of every other aspect of industrial and public life. They are reformers of everything except that which from the nature of things, and from the yearly increasing stress of competition, stands most in need of reform.

The port of London under Protection, they say, will be deserted by shipping. But how can they explain the increasing tonnage of ports of Protectionist countries?

Wages, they assert, will be lower; but there is no attempt to explain the more rapid increase in Protectionist countries of wages already at a higher level than rules among ourselves.*

Unemployment, they say, will be augmented. But there is an entire absence of statistical material for comparison with unemployment in other countries. What evidence is available is to the effect that Free Trade fails to secure such steadiness of employment as Protectionist countries enjoy.

"EVERYTHING DEARER."

But the trump card of the Free Trade orator is "Everything will be dearer under Protection." The Manchester School were interested in cheap food, not only on general grounds, but also particularly as manufacturers, and they believed that cheap food meant low wages. Nor did they err in their generation, but the worker of to-day has to face the

* See Cd. 1761, p. 275, and the Board of Trade Reports on the cost of living in Germany (Cd. 4082) and the United States (Cd. 5069).

facts that the price of food and the cost of living have increased out of all proportion to the rise of wages experienced in Great Britain under Free Trade.* No doubt a decrease in the price of many articles of food in Great Britain followed upon the abandonment of Protection. But it would be hardly maintained that such decrease was occasioned by the adoption of Free Trade, and subsequently prices have generally risen until they rule, in respect of many articles, considerably above those which obtained before the epoch of Free Trade,† which has indeed completely failed to provide cheap food, and has not enabled industries to show a rate of development equal to that of Protectionist countries.

IMPERIAL PREFERENCE.

While Tariff Reformers urge the adoption of some modified form of Protection as the only method of obtaining fair conditions for home manufacturers in home markets, and of mitigating in some degree the injury which foreign tariffs inflict on our export trade, they are convinced that greater benefits will be obtained by the introduction of Imperial Preference. So far as the reduction of foreign tariffs is concerned, they believe that the adoption of a settled policy of Protection by foreign countries will render impossible any very wide opening of foreign markets to competing productions of British manufacture, though they hold that access to the British market, when it becomes a matter for arrangement and ceases to be a matter of course, will be a powerful factor in negotiation, and cannot but exercise considerable influence upon the attitude of foreign Powers.

Their markets, however, are already well provided, and are not to any very considerable extent capable of expansion.

* "During the last fifteen years, according to the returns of the Board of Trade, wages had increased 13 per cent., while the retail price of food had increased 18 per cent. In other words the working classes were to-day receiving fewer commodities in return for their labour than they received fifteen years ago" (Mr. Chiozza Money, M.P., House of Commons, April 26, 1911).

† This applies to butter, beef, mutton, and pork.

Just as a tradesman wishing to increase his prosperity must extend the circle of his clients, so nations must ever be on the look out for new customers. These they find in the neutral markets of the world, where industries are as yet undeveloped, and in those fresh fields wherein the population is increasing and is still largely engaged in agricultural pursuits. Such conditions exist in many portions of the British Empire, in which is manifested a natural predisposition to use British manufactures; and Tariff Reformers argue that Great Britain should find her new customers preferably in these directions by means of mutual agreements to arrange special terms for one another's products.

EXPANDING COLONIAL MARKETS.

The ideal arrangement would, no doubt, be that of Cobden, that Great Britain should be the manufacturing centre to which others should supply food and raw material. But no one imagines that this ideal can be attained. Although British Dominions may be predominantly agricultural, they nevertheless possess industries which could not reasonably be expected to agree to be placed in a position of inferiority in comparison with that occupied by British manufacturers. But since the markets under consideration are expanding, and the Colonial industries cannot meet the demand, what more common-sense policy can be suggested than that Great Britain should take advantage of a natural disposition to prefer British goods by concluding a mutual preference agreement, one party selling on favourable terms that which the other desires to buy? But reasonable though this proposition would be allowed to be in respect of individual industrial organisations, it was no sooner suggested as a State policy than it was attacked with the utmost vigour and denounced—not merely as bad from an economic point of view, but impossible and unpardonable, if not unpatriotic in character.

THE "DEAR LOAF" CRY.

The opponents of Imperial Preference concentrate their attack upon the fact, as they hold it to be, that this policy

involves the imposition of duties upon articles of food and drink. "Your food will cost you more," "Tariff Reform means the little loaf," "Stick to Free Trade and the big loaf," are examples of election cries of considerable value, which have been used to the utmost extent. It is impossible to exaggerate the influence they necessarily exerted upon the poorer, less educated, and slow-thinking masses of the electorate at the beginning of the fight between Free Imports and Tariff Reform. It says much for the intelligence of even the humblest voters that in spite of such strong persuasion and pressure upon a question in which their interest is vital, so many of them should be ready to disregard the warnings of the Free Traders, and to express their adherence to the doctrines of Tariff Reform. Indeed, as the education of the electorate on the question progresses these electioneering cries and catchwords lose their potency.

The rise which has occurred in late years in the price of food has done much to discredit the cry of "Free Trade and the cheap loaf," and the elementary economic laws which govern supply, demand, and price are being more generally appreciated, to the undoing of the preachers of the Free Trade gospel. Articles of food, moreover, are, as is now becoming known, already taxed, and in such fashion as must necessarily raise the price to the consumer, for the taxed articles are necessities, while luxuries for the most part are untaxed. The existing imposts on food are susceptible, however, of readjustment, so that while the total burden of food taxes shall not be increased, the most desirable object of promoting Imperial trade relations shall be attained. The potential connection between food taxes and Tariff Reform obscures the actual food taxes levied under Free Trade, and offers no small obstacle to the success of the former policy. It also affords opponents with a most powerful weapon of misrepresentation. Nevertheless, a dawning sense of perspective may be discerned upon the political horizon. The platform allegation of the Free Traders that "the Tories want to make food dearer" attributes to that party so fatal a policy that electors upon reflection decline to credit even their adversaries with such folly. What public men desiring to

secure the majority necessary to enable them to give effect to their policy would handicap themselves with a proposal to make food dearer? And what party, having acquired a majority, would exist for a day, if it attempted to put that policy into effect?

The most effective argument against Tariff Reform would be disproof of its advantage to British industry, which, however, Free Traders have not seen their way to supply. Indeed, their leaders have admitted that such preference as British Dominions actually give to Great Britain has been of great advantage to British industries.*

THE NEED FOR IMMEDIATE ACTION.

Tariff Reformers fear that when Imperial Preference is sanctioned, as they have no doubt it will be, such sanction will come too late to allow of its full benefits being reaped by the country. The Reciprocity Agreement between the United States and Canada was in a fair way to become an accomplished fact, an arrangement which must have had an immediate and prejudicial effect upon British imports into Canada, by reason of the reduction in the preference upon British goods which it would have entailed. But upon British trade in general the future effect could only have been disastrous of an agreement providing for the greater interchange of goods between the United States and Canada, and diverting to North and South the existing trend of trade from East to West.

Canada, possessing vast natural resources—timber, ore, and wheat—would have found a ready market in the adjacent States of the Union, and the Tariff Reformers' policy of directing the export of these natural products to Great Britain would have been made more difficult of attainment. Especially was Great Britain likely to suffer in respect of her wheat supply.

* "As regards the Canadian tariff, I acknowledge that it has been beneficial to British trade, and particularly, I think, to our textile industries" (Mr. Asquith, M.P., Colonial Conference, 1907, Cd. 3523, p. 312).

"The Canadian Preferential Tariff has produced a marked effect on our export trade to Canada. It has undoubtedly stimulated trade between the two countries" (Mr. Lloyd George, M.P., Colonial Conference, 1907, Cd. 3523, p. 386).

Indeed, it was openly avowed in the press of the United States that the establishment of Reciprocity would destroy the prospects of British Imperial Preference, and of the commercial union of the British Empire, at least so far as Canada is concerned, while some American statesmen have not hesitated to express the belief that the Reciprocity proposals would prove to be but the prelude to political union.

GREAT BRITAIN AND THE CANADIAN AGREEMENT.

But Canada first made an offer to Great Britain, and the British Government would have none of it; and it is certain that she would not have entertained proposals from the United States, if a more favourable reception had been accorded to the policy of Imperial Preference in Great Britain.

Offers like that of America may some day be made in South Africa, Australia, New Zealand, and India, valuable and growing markets for manufactured goods, which seek outlets for their food products and raw materials. If Great Britain shows no signs of abandoning her present fiscal system, which rigidly excludes Imperial Preference, would surprise be felt if such advances were entertained, however strong might be natural inclination towards Imperial Reciprocity?

ARGUMENTS FOR AND AGAINST TARIFF REFORM.

FOR.

1. In consequence of the industrial competition of other nations, our present system of free imports fails to secure fair treatment for British trade.

2. It was adopted in the belief that other nations would follow our example, and that Great Britain would be the manufacturing nation of the world, to which other countries would send their raw materials.

3. This expectation has not been fulfilled; other nations manufacture for themselves under the advantage of protective duties, and also invade the British market free of all restriction. Free imports have injured the greatest of all our industries, agriculture, notwithstanding the opinions to the contrary held when the system was adopted.

4. Foreign nations are given the advantage of the "double market," and are able to "dump" their surplus products here at low rates, to the disadvantage of our manufacturers.

5. Tariff Reform is therefore necessary to prevent unfair foreign competition in British markets.

6. It is also necessary to enable Great Britain to obtain reductions in foreign import tariffs upon her own exports.

7. The "most-favoured nation" clause, while it purports to give British goods the advantages gained by the bargaining of foreign nations, is seldom effectual and quite useless when the concessions obtained by such nations are inapplicable to British manufactures.

8. The immense volume and comprehensive character of our export trade make it imperative that Great Britain should enter into negotiations with foreign nations on her own account, especially as she has a valuable home market in which in return to give concessions.

9. The Great Powers—Germany and the United States—selling Great Britain more than they buy, would readily grant valuable concessions rather than lose the British market.

10. A tariff is also necessary for revenue purposes to meet the increasing cost of government.

11. So long as the duties are low there is no reason to assume that they will artificially increase prices, since the competition between the untaxed and the taxed article will keep down the price.

12. Tariff Reform does not propose to discourage foreign imports, but only to regulate their character, so that the maximum of employment may be given to British hands in supplying the British nation with its wants.

13. Tariff Reform is a much wider policy than Protection. The latter is concerned with protecting the home market from foreign competition: the former also seeks to extend our export trade by obtaining for it advantages in new and growing markets.

14. The most important of these markets are our British Dominions and India, which have vast natural resources, export much food and raw material, and import manufactured goods.

15. The Dominions have already given practical effect to the policy of Imperial Preference by reducing their tariffs for British goods.

16. Even Free Traders have admitted that this preference has been greatly to the advantage of British manufacturers.

17. Tariff Reformers desire to establish the policy of Preference upon a permanent and reciprocal basis, by granting concessions to Colonial and Indian imports in our home market.

18. This policy is opposed by Free Traders because it involves a tax on food, which may, or will, to a slight degree raise the price of particular articles of consumption. But food is already taxed and made dearer by such taxation, and Tariff Reformers propose only to readjust the present food taxes, so that they may, without increasing the aggregate burden, be enabled to grant Imperial Preference.

19. Food prices have everywhere risen throughout the world. It is

necessary for a nation such as ours, which cannot feed itself, to have a call upon food supplies elsewhere, and this desirable end is attained by Imperial Preference.

20. Free Trade did not bring cheap food, which resulted from the development of wheat-growing areas, and the reduction of the cost of transport.

21. Free Trade cannot keep food cheap, for it has increased in price in recent years, and some articles of food are even dearer to-day than they were before the policy of free imports was adopted.

22. Imperial Preference will not bring dear food; it will, on the contrary, widen, ensure, and so eventually cheapen, our food supply.

23. It is therefore beside the point to argue from the analogy of other countries, which have adopted a high tariff policy to protect home-grown food.

24. Even in those countries, however, there is nothing to show that their tariffs have increased prices, the causes affecting prices being complex, comprehensive, and so far incompletely ascertained.

25. Though the taxation of food may be unpopular, as all taxation is, it should be accepted when it brings employment, increased wages, and prosperity to a manufacturing nation.

26. So far as the exports of our manufactured goods are concerned, the high tariffs of other nations will prevent any great expansion in that direction.

27. Neutral markets are being gradually closed, and are at any rate the scene of severe competition between rival nations.

28. Growing markets are to be found in our Dominions, and they are willing, if the favour be reciprocated, to give British better terms than foreign goods.

29. Acceptance of their offers and reciprocation would mean a greater demand for our goods, and consequently an increase in employment and prosperity.

30. Other nations are well aware of the value of these markets, and are anxious to enter into reciprocal trade relations with our Dominions.

31. The late Government of Canada had, in fact, already negotiated to this end with the United States, an agreement which, had the country sanctioned it, would have done great injury to British trade.

32. Although our Dominions would rather enter into preferential relations with Great Britain, they cannot, notwithstanding the splendid example of Canada, be expected for all time to refrain from entertaining the proposals of other nations, if their own Mother Country rejects their advances.

33. The protection of home labour—the chief feature of the policy of Protectionist countries—is only one feature of the policy of Tariff Reform.

34. But it will benefit the working classes, since in Protectionist countries wages have risen more rapidly than here, employment is steadier, hours of

labour are being reduced, the cost of living, upon the whole, is not greater, and, in the United States at any rate, a considerably higher standard of living obtains.

35. In spite of Free Trade, some 30 per cent. of our population are estimated by Free Traders to be below the line of poverty and hunger.

36. Vast numbers of our workers still suffer from very low wages and irregular employment.

AGAINST.

1. Free imports ensure cheap food and raw materials, and have brought about a greatly improved standard of living for the British people; the improvement which has been effected may fairly be ascribed to this cause.

2. Though our imports are of greater value than our exports, the excess represents interest on investments and the earnings of our shipping.

3. If imports are curtailed our shipping trade will be injured and our exports reduced.

4. Particular British industries may have declined under the free imports policy, but others have arisen; the same change goes on in every country, whether its policy be Free Trade or Protection.

5. An import duty on woollen goods, for example, if sufficiently high, might keep out the foreigner, but since his products are imported as payment for goods sold to him, a corresponding decrease in our own aggregate sales would result, which could only cause increased unemployment.

6. Protection of woollen goods would also mean an increase in the home prices, and the people would be clothed less satisfactorily than heretofore.

7. In the long run imports are goods which we cannot make so well as the foreigner, or being able to use our labour to better advantage, do not care to make.

8. As a matter of fact the larger a country's imports the greater its prosperity, since their volume shows that the maximum of workers are employed manufacturing goods for export in payment for the imports. "The countries which import more than they export are for the most part those in which the industrial revolution has been carried far, and which have surplus capital to lend." *

9. Moderate duties would not satisfy the Protectionists, since they would not create higher prices, or keep out foreign goods so as to give more employment.

10. Nobody has ever succeeded in taxing the foreigner; in the end it is the consumer who pays.

* "The Economic Transition in India," by Sir Theodore Morison, p. 204.

11. Tariff Reform and Protection are practically identical, and the latter has been tried in this country and abandoned because it failed to bring progress and prosperity.

12. Protection days were those of dear food, unemployment, and misery, which Tariff Reform would restore.

13. Under Free Trade our industries have experienced remarkable development, food is cheap, employment is relatively steady, and wages have risen, as well as the standard of living among the working classes.

14. Investigation into the conditions of the working classes in foreign countries shows that under Protection such are in every way inferior to those of our own workers under Free Trade.

15. A policy of free imports is best for an industrial country like Great Britain, dependent for its prosperity and for its life upon the importation of raw materials and food supplies.

16. That policy discourages the establishment of "trusts" for regulating prices, which accompany Protection, and are so injurious to the prosperity of the working classes.

17. It also renders difficult tariff-mongering, and other scandals of Protection which engender corruption in public life.

18. It gives British trade through the most-favoured nation clause all the advantages attained by Protectionist countries only after prolonged and delicate negotiations, which sometimes end in their case in disastrous tariff wars.

19. "Dumping" is not a serious evil in Great Britain, since the "dumper" must make use of a market open to competition from the whole world.

20. Protection to the extent to which it keeps out foreign goods fails to raise any revenue.

21. Again, to the extent to which it raises revenue, it fails in its Protective aims, while such revenue as it collects is raised in a wasteful and uneconomic fashion.

22. Under our present system the Treasury obtains as revenue all the increased price resulting from the duty, but under Tariff Reform, although only the foreign article would be taxed, the price of the home-made article would be increased by the amount of that tax.

23. The burden on the consumer would therefore be out of all proportion to the gain to the Exchequer from the proceeds of the duty.

24. Dear food is inevitable if Tariff Reform is carried, and if once it is established that Imperial Preference is dependent upon taxed food, the cause of Imperial unity will suffer the severest of shocks.

25. To restrict the freedom of our Dominions by trade arrangements with Great Britain will not improve the relations between them and the Mother Country.

26. The true Imperial policy is to give them perfect freedom to carry out their own wishes in trade matters, recognising that they have chosen once and for all a different fiscal policy from that of Great Britain.

27. Imperial Preference is unlikely to bring any great benefits to our manufacturers, since the Dominion manufacturers will insist upon their tariff wall being retained sufficiently high to give them a clear advantage in their own markets.

28. It is impossible to treat each of our Dominions equally and in a manner which will prevent friction and discontent between them.

29. Our trade with foreign countries is larger than our Imperial trade, and it would be unwise to make the smaller interest the pivot of our commercial policy.

30. Foreign countries would retaliate if by Imperial Preference advantages denied to them were given to British Dominions.

31. The duties might be small at first, but they would be gradually increased by the pressure of the manufacturing and agricultural interests until a system of high Protection was established.

32. A tariff would be a handicap to many of our industries which import wholly or partly manufactured articles, which are finished in the United Kingdom. Examples are found in leather and boots.

33. It is impossible satisfactorily to distinguish between manufactured articles and raw materials.

34. Our exports of manufactures per head of population are greater than the exports per head of Germany or the United States; foreign tariffs cannot, therefore, have done much harm to our trade.

BIBLIOGRAPHY.

The prominent position occupied by the fiscal controversy is evidenced by the existence of many publications on the subject. The literature issued by the Tariff Reform League (7, Victoria Street, Westminster, S.W.) and the Free Trade Union (25, Victoria Street, S.W.) presents each side of the case. Both organisations publish excellent Handbooks; and their monthly publications, *Monthly Notes on Tariff Reform* and *The Free Trader* bring the controversy up to date. The case for Tariff Reform as disclosed by the condition of British industries should be studied in the Reports and memoranda issued by the Tariff Commission.

Of official publications reference should be made to what are generally known as the Fiscal Blue-books—memoranda, statistical tables, and charts relating to British and foreign trades and industry—Cd. 1761 of 1903, Cd. 2337 of 1904, and Cd. 4954 of 1909. The Board of Trade has also issued a series of reports on the cost of living of the working classes in certain countries—United Kingdom, Cd. 3864; Germany, Cd. 4032; France, Cd. 4512; Belgium, Cd. 5065; and the United States, Cd. 5609. The inquiries cover working-class rents, housing, retail prices, and rates of wages in certain occupations and the principal industrial laws in each country. Other useful official publications are the monthly and annual

trade returns of imports and exports, and the annual statistical abstracts for the United Kingdom, the British Empire, and British India. Foreign Import Duties and Colonial Import Duties are two Blue-books of foreign and colonial tariffs published at intervals. A valuable book of statistical trade tables is the "British Trade Year Book," by John Holt Schooling.

Useful publications upon the side of Tariff Reform are "Economic and Fiscal Facts and Fallacies," by Sir Guildford Molesworth; "Tariff Reform," by Captain G. C. Tryon, M.P.; "National System of Political Economy," by F. List; "Trade Policy of Great Britain," by C. J. Fuchs; "Fundamental Fallacies of Free Trade," by L. S. Amery, M.P.; "The Tariff Problem," by W. J. Ashley, and "The Case Against Free Trade," by Archdeacon Cunningham.

Those who desire to study useful abstracts of both sides of the question should read "Tariff Reform or Free Trade," by L. S. Amery, M.P., and J. M. Robertson, M.P.

Of books presenting the case for Free Trade the following can be recommended: Lord Farrer, "Free Trade *versus* Fair Trade"; J. M. Robertson, M.P., "Trade and Tariffs"; "Mr. Chamberlain's Facts, Figures, and Predictions"; Dr. T. J. Macnamara, "Tariff Reform and the Working Man"; L. G. Chiozza Money, M.P., "Elements of the Fiscal Problem" and "Fiscal Dictionary."

CHAPTER VII

THE CONSTITUTION

CONSTITUTIONAL change in many countries is only effected after violence and loss of life. In Great Britain a revolution has just been accomplished without disturbance, almost without notice, certainly without any overt demonstrations of disapproval, on the part of the people.

It is doubtful whether in any other country an ancient, and by the world at large highly esteemed, Second Chamber and Estate of the Realm could have been extinguished, and its influence destroyed without an appeal to force. It is difficult to imagine other nations agreeing to an overthrow of the Constitution and the establishment of what is practically, and for the present actually, single-chamber Government, without resort to more turbulent methods than parliamentary action and discussion. As matters stand in the United Kingdom a class, whose members for centuries occupied the position of natural leaders, have surrendered their position and influence as the result of a threat on the part of their opponents to have resort to political or, as Lord Morley not obscurely hinted, "social," pressure.

THE CREATION OF PEERS AND ITS EFFECT.

It is, of course, argued that continued opposition on the part of the peers would have been futile, but the Second Chamber could only have been coerced by the profuse creation of peerages, and the country would by such an unprecedented act at least have been brought to appreciate the far-reaching character of the Government's proposals.

In fact, it was called on to witness not only the surrender of the peers, but also the spectacle of support afforded to the

Parliament Bill by opponents, from which it very naturally drew the conclusion that the speeches delivered against it were only part of the usual Party game, and believed that the hostile opinions expressed were not strongly and sincerely felt, but were no more than the usual partisan utterances, which are expected to be highly coloured over-statements of a case.

By their action, whether or not it was unavoidable, the peers have played straight into the hands of the Coalition Government, which has all along maintained that the Parliament Act was no more than a just and reasonable solution of the question, from which no real danger to the Constitution was to be apprehended. After the abandonment of their opposition by the peers themselves, it is not surprising that the country shows an inclination to accept the position of the Coalition Government, and to regard the Parliament Act as a moderate measure of reform.

THE LESSON TO BE LEARNT.

No doubt disillusionment will come with experience of the working of the Act, and, so far as the Liberal Party is concerned, it would be unfortunate, if it were not intentional and inevitable, that the first great measure to be passed into law under the amended Constitution is a Home Rule Bill. The subject arouses violent passions, was never even mentioned in their addresses by most of the supporters of the Government at the last election, and owes its foremost position in the legislative programme to the fact that the Government of Mr. Asquith can only retain office by the favour of Mr. John Redmond and the Irish Nationalist Party. It would certainly have been advantageous to the Government if the Parliament Act first allowed a passage to measures arousing less political hostility, so that the country might gradually and gently accustom itself to single-chamber government.

SINGLE-CHAMBER GOVERNMENT ESTABLISHED.

That this system is established by the Parliament Act is vehemently denied by the Liberals, for the good reason that no country of any importance has ventured to trust its fortunes

to the care of a single chamber. But the only difference between avowed single-chamber government and the Constitution established by the Parliament Act lies in the delay of two years before a measure, which has once passed the House of Commons, can become law.

THE TWO YEARS' DELAY A SHAM.

The Coalition Government laid great stress on the value of this period of delay. Apparently they regarded it as a time during which the opponents of a particular measure would be able to rouse the country by a great campaign for the purpose of convincing the Government of the day that any particular Bill in highly unpopular. Unfortunately for the efficacy of this rough-and-ready method there is no guarantee that a Government, although convinced of the fact of popular opposition, would act upon its convictions. According to the famous dictum of the Lord Chancellor in respect of the Licensing Bill the fact that a measure is unpopular is not a good reason for its rejection.

THE PRIME MINISTER'S ADMISSION.

The period of delay is therefore a snare and a delusion in so far as it obtains for the people opportunities of making their will prevail. So much was indeed admitted by Mr. Asquith, who argued that if a General Election, by reversing the position of parties, showed that the country was opposed to the legislation of the previous Government, it was within the power of its successor in office to repeal any particular measure or measures.* But this is surely at once an insufficient, and a dangerous remedy. No doubt, so far as domestic legislation is concerned, repeal would be feasible, although it would be a deplorable waste of time and energy for succeeding Governments to devote their attention to repealing the enactments of their predecessors. But the Prime Minister's solution could afford no possible relief in respect of legislation of other than an unimportant character. Under a Disestablish-

* House of Commons, February 21, 1911, Parliamentary Debates, p. 1715.

ment and Disendowment Act, for example, Church property would have been sold or applied to other uses, beyond the possibility of restoration to its original objects. A Home Rule Parliament in Ireland could not be abolished a few years after its establishment except at the risk of open revolt, however much the "predominant partner" might, when an opportunity arose, show itself to be opposed to the policy of Home Rule. So, also, in respect of all legislation there would be unsettlement and waste of money and efficiency in making arrangements liable to more or less speedy alteration.

The Parliament Act, then, does not secure that the clearly and definitely ascertained will of the people shall prevail; but that there shall prevail for the time being the opinion of the majority—however composed—of the House of Commons; the decision of such majority being liable to be reversed by any majority which may succeed.

ONLY A HALF-MEASURE.

Just as the Bill fails in its national aspect, so it also fails to provide a remedy for the whole Radical grievance against the Second Chamber as at present constituted. It succeeds, indeed, in so far as it relates to the opposition of the House of Lords to the passage of Radical Bills, but it does not touch the other Radical complaint to the effect that the House of Lords offers no obstacle to the passage by a Unionist Government into law of measures for which the latter has no popular mandate. It will be remembered that this was the chief objection advanced by the Radicals against the Education Act, 1902, and the Licensing Act, 1904.

NOT A SETTLEMENT.

No doubt whilst the Radicals are in power the other side of their case against the House of Lords is the more prominent and pressing, but the fact that one-half of their grievance is wholly unremedied goes far to countervail the optimism of those who regard the Constitutional question as satisfactorily settled. The Coalition Government has in fact stopped short of dealing with this part of their grievance. They profess to intend

to remedy it by establishing, in substitution for the House of Lords as at present constituted, "a Second Chamber on a popular instead of an hereditary basis." Of the composition of this new Second Chamber, of the date of its establishment, and of the powers it is to enjoy, no authoritative information is vouchsafed. Whenever it may come into being, it will doubtless be of such a character as will satisfy Radicals of its "impartial" attitude towards Tory legislation. But the Radicals are determined themselves to run no risks, and this reform promised in the preamble of the Bill is at any rate to be postponed until they have passed their own principal measures into law without the interference of any Second Chamber whatsoever, whether "popular" or "hereditary" in character.

THE REFERENDUM.

This determination to subject such measures to no risks is further emphasised by the opposition of Mr. Asquith's Government to the Referendum, a device which more than any other secures that the will of the people shall be ascertained on any particular measure without complication and confusion of issues. The personal factor—often a matter of the utmost importance, especially in rural constituencies—is, by its adoption, eliminated to a very considerable extent, and the verdict can be taken on the Bill and nothing but the Bill. The Referendum is particularly applicable in the case of measures involving constitutional change, where it is advisable to obtain clear and unequivocal support in order to prevent frequent amendment.* It would, therefore, be suitable for adoption in the case of a measure of Home Rule, which,

* By the Commonwealth of Australia Constitution Act, 1900, Section 128, the Constitution cannot be altered unless the amending Bill is passed by an absolute majority of each House and is approved after a Referendum, by a majority of the electors voting in a majority of the States and by a majority of all the electors. The Referendum must be taken not less than two nor more than six months after the passage of a Bill through both Houses. In the event of a disagreement between the two Houses, the Bill, after failing to pass on a second occasion, may be submitted directly to the electors for their decision.

while primarily dealing with an Irish legislature, also incidentally introduces an entirely new constitution into Great Britain.

RADICAL "COQUETTING."

Notwithstanding the Unionist proposal to adopt the Referendum, with provisions which would ensure its application to important measures, should a Radical minority in the House of Commons so desire, the Coalition Government declined to entertain the proposal.

This refusal was all the more remarkable inasmuch as the Radicals at any rate had, to use the Prime Minister's word, "coquetted" with the Referendum on previous occasions. Indeed, quotations from Mr. Asquith's own speeches would justify the use of a more compromising expression.* Mr. Asquith's Government, however, would not agree to the insertion of a Referendum clause in the Parliament Bill. They declared that it was a system entirely foreign to our method of Government, and that its use would detract from the dignity and power of the House of Commons. These objections, however, assume that the majority in the House of Commons represents a majority of the nation, a supposition, which with the existing distribution of seats is entirely unjustified, and that the House of Commons will never take any action which is not clearly approved by the people, and within the mandate it has received at the General Election.

INSTABILITY OF LEGISLATION.

Neither party would, however, agree that this condition was properly fulfilled in respect of its opponents; and minorities in the future will certainly be more disposed than in the past to deny the moral binding force of laws which they

* "I admit that, speaking on Sir Henry Campbell-Bannerman's Resolution three years ago, I have coquetted with the Referendum, and I say quite distinctly that I reserve the question of the appropriateness and the practicability of what is called the Referendum as possibly the least objectionable means of untying the knot in some extreme and exceptional constitutional entanglements" (Mr. Asquith, House of Commons, March 29, 1910, Parliamentary Debates, p. 1173).

believe to have been passed without a mandate.* The Referendum would have prevented this development, which must seriously impair the authority alike of legislation and administration. The objection that the Referendum would only be applied to Radical legislation, since the House of Lords always acquiesces in that of the Conservatives, is easily met by empowering a substantial minority of the House of Commons to demand a Referendum in respect of measures of a defined class or character.

While it is true that the Referendum is so far unknown to our Constitution, it is not an untried or novel device, being used in other countries in Europe, and in so democratic a Commonwealth as Australia. If the Australians consider the approval of two chambers and resort to the Referendum to be necessary before changes can be made in their Constitution, surely it requires no proof that the United Kingdom, with its immeasurably larger and wider interests, is running a great and unjustifiable risk in placing it within the power of a temporary majority of the House of Commons—however small or however obtained—to make whatever alterations in the Constitution it may, for more or less creditable reasons, desire to bring about, without first appealing to the country.

THE REFORM OF THE HOUSE OF LORDS.

It is true that the Government of Mr. Asquith proposes, or professes to propose, to establish a new Second Chamber at some unspecified date. Such Chamber is to rest upon a popular instead of an hereditary basis; but no one knows whether the term "popular" implies election, or nomination, or a combination of both methods. This much may, however, be freely predicted of the new Second Chamber, that it will enjoy the confidence, support, and respect of no party in the State. Let it be so "impartial" as to reject or hold up Radical legislation, and its authors will, without

* Just as a section of the Radical Party protested that they were not bound by the Education Act of 1902. The policy of "passive resistance," if adopted in a sufficiently complete and comprehensive fashion, can avail to make the enforcement of any Act impossible.

hesitation, demand an amendment of its constitution, since it is but a thing of their own creation.

It cannot, in any case in its earlier years, hope to possess the support of the Unionists, for they will naturally regard it as a committee of the Radical Party, however much its partisanship may be leavened by the admission of an infusion of "impartial" senators.

PAYMENT OF MEMBERS.

Our Constitution then has with the passing of the Parliament Act only entered upon a period of change. The end is far distant; and the ultimate solution defies conjecture. But it is none the less a significant sign of the times that the first important action of the House of Commons after the passing of the Parliament Bill was to vote its Members salaries of £400 a year.

Not less noteworthy than the fact itself was the method by which it was effected. A change of the most far-reaching and novel character, the appropriation of public money to private advantage, was brought about by a simple retrospective resolution of the House of Commons lest the public conscience should be affronted by the revelations attending the passage of a Bill.

The payment of members of Parliament introduces an entirely new principle into our system of Government. The tradition of gratuitous public service vanishes, and its place is taken by the new principle of payment. It may be argued that the salary is small in comparison with the services rendered. But unless the British House of Commons displays a self-denial which has not distinguished other legislative assemblies, there seems little reason to believe that the amount our legislators have now voted themselves will not be considerably increased at some subsequent date.

REPAYMENT OF EXPENSES.

Indeed, at its present amount, the salary voted is alleged to represent not payment for services rendered, but merely a grant towards the out-of-pocket expenses incurred by members

of Parliament in their public capacity. This explanation runs somewhat counter to the intention of Mr. Asquith's Government to make payment of members a substitute for the salaries drawn by Labour Members of Parliament from Trades Unions prior to the date of the Osborne Judgment, which declared such application of Union funds to be illegal. But it tended to minimise the objections of those who were opposed to the payment of a salary, but were in favour of the reimbursement of expenses.

The rejection by the Labour Party of the State payment of members by way of an alternative to legislation reversing the law as interpreted by the Osborne Judgment, induced the Radical Party to favour the theory that payment of members is only a recoupment of expenses incurred. But the payment of the same amount to each member effectively disposes of any such argument. To pay a member representing a small and adjacent, the same amount as is received by the representative of a large and remote, constituency is to ignore all the essential factors of the problem. While one member may profit, the expenses of another may considerably exceed the £400 placed to his credit by the State.

The opinion is indeed widely held that the payment by the State of returning officers' fees at elections, and of the expenses incurred by a member in visiting his constituency is perfectly justifiable. Repayment of the amount actually expended on this account is not open to the same objection as the provision of a fixed salary, since there can be no possibility of gain by a member at the cost of the taxpayer, but only of payment of out-of-pocket expenses.

The attitude of the Unionist Party in respect of this matter has not been one of unyielding opposition, and suggestions were made from their benches for the repayment of actual official election and travelling expenses, while strong opposition was offered to forcing salaries alike on the group of members, in order to placate which the new policy was adopted, and upon others, whose equal pride and pleasure it was, and is, to serve the State to the utmost of their ability as a privilege and not for payment.

UNIONIST PLANS OF REFORM.

So in respect of the constitutional crisis the Unionist Party, abandoning its defence of the House of Lords as it was, put forward a plan for the reconstruction of that House, and for an ultimate appeal by Referendum to the people on exceptional occasions of national importance. Their attitude, no less than that of their adversaries, was revolutionary, since they entirely accepted the principal Radical contention to the effect that a seat in the House of Lords ought not to be a matter of mere hereditary right.* Indeed, the plan put forward by the official leaders of the Party introduced novel elements of selection and election from outside.† But this proposal failed to satisfy their opponents, who professed and preferred to see in the reconstructed House of Lords a smaller, but still an, obstacle to the free passage of Liberal legislation. Whether, with the certainty that their scheme would not be accepted by their opponents, the Unionist Party would not have been wiser to boldly defend the existing House of Lords with all its imperfections, is a question which it is now futile to discuss, but it is certainly matter for regret that the Unionist leaders did not during their long tenure of power reform and readjust the balance of parties in that House. The preponderating Unionist element in the Second Chamber, although it has not been brought about as the result of deliberate packing by the Unionist Party but by constant conversions to Conservatism on the part of holders

* "That a necessary preliminary of such reform and reconstitution is the acceptance of the principle that the possession of a peerage should no longer of itself give the right to sit and vote in the House of Lords" (Lord Rosebery's Third Resolution).

† See Lord Lansdowne's House of Lords Reconstitution Bill, No. 75 of 1911. According to the Memorandum attached to the Bill, the House of Lords as reconstituted would contain rather less than 350 members, composed as follows: 100 elected by hereditary Peers from among their number who were qualified; 120 to be elected for electoral districts by electoral colleges composed of members of the House of Commons for constituencies within each electoral district; 100 appointed by the King on the advice of the Ministers in proportion to the strength of parties in the House of Commons; 7 bishops and 16 Judicial Peers.

of peerages created by the Radical Party, undoubtedly, and not unnaturally, gave rise to a feeling on the part of Radicals that their measures could not be expected to receive impartial consideration from the House of Lords as formerly constituted.

THE LORDS AND LIBERAL BILLS.

This impression has been entirely confirmed, in their opinion, by the action of the House of Lords in respect of Radical legislation. While that House passed without amendment, or with amendments subsequently accepted by the House of Commons, no less than 269 Bills, and only rejected, or amended beyond agreement, eight measures * in the five years ending December, 1910, those which failed to pass were the principal legislative schemes of the Radical Party.* Any peer classed as Unionist, however much his votes might in his own mind be governed by the demerits of the measures in question and not by party considerations, was regarded as having deliberately contributed to the wanton destruction of Radical Bills.

This attitude of the Upper House was contrasted with the absence of opposition in respect of Unionist measures, and the cry from the Radicals for more equal conditions became insistent and universal. The most statesmanlike course would probably have been to reform the House of Lords by delegating its powers to representatives of the existing hereditary peerage, whose actions would be entirely removed from any suspicion of party considerations. But such a reform would not have given the Radicals any certainty or guarantee that their measures, once they passed the House of Commons, would become law. They did not desire that any other body, however impartially composed, should have the power of rejecting or amending their Bills. Hence they adopted the policy which once and for all placed it beyond the power of the Second Chamber to obstruct. And the result is that Great Britain, alone of Great Powers, is now governed by a single chamber,

* The Education Bill, 1906; Plural Voting Bill, 1906; Scottish Small Holdings Bill, 1907 and 1908; Scottish Land Values Bill, 1907 and 1908; Licensing Bill, 1908; London Elections Bill, 1908; Scottish House Letting Bill, 1909; County Courts Bill, 1909.

with no immediate prospect, at any rate, of the reconstitution of the House of Lords on a satisfactory basis.

ARGUMENTS FOR AND AGAINST THE PARLIAMENT ACT.

FOR.

1. It secures that the will of the people, as expressed by their representatives in the House of Commons, shall prevail.

2. It gives the House of Commons the last word in respect of general legislation, and properly denies to the House of Lords any word in respect of finance.

3. It properly removes from the House of Lords—a body representing none but themselves—the absolute veto over legislation.

4. Since it is an obvious anachronism that an hereditary body should continue to exercise this power in a democratic State the veto had to go, just as the veto of the Crown has already gone, in order that the country should enjoy a free and really democratic system of government.

5. Such reform has, moreover, been rendered necessary by the partisan actions in respect of legislation of the House of Lords, which rejected and mutilated the most important Liberal measures, but never placed obstacles in the way of passing any Tory Bills.

6. The Act not only abolishes the power of the permanent Tory majority in the House of Lords to reject Liberal legislation, but for the first time accords equally favourable conditions to the measures of all parties.

7. It does not introduce single-chamber government, since measures must pass the House of Commons three times, and in a period of not less than two years, before they can become law without the concurrence of the House of Lords.

8. This period of delay is sufficient to secure revision of any measure, or even to prevent it from becoming law, if opposition develops to an extent which shows that general public opinion is not in its favour.

9. The Tories ought to be the last persons to object to single-chamber government, since when they are in office the House of Lords passes all their Bills without question and the country is governed by a single chamber—a Tory House of Commons.

10. That nothing revolutionary has happened during such periods is evidence that the dangers of single-chamber government are considerably exaggerated.

11. The Parliament Act leaves to the House of Lords considerable powers of delay, revision, and suggestion of amendment.

12. In fact, it leaves the House of Lords capable of properly performing the true function of a Second Chamber, that of revision.

13. The Act is justified by the admission even of Unionists that the House of Lords has been an unfair assembly, out of touch with the people, and having a permanent Tory majority.

14. Its representation is one-sided, giving too great a preponderance to the land-owning classes, and insufficient weight to the commercial, manufacturing, and industrial interests of the country.

AGAINST.

1. The Act sets up what is practically single-chamber government.

2. That this is undesirable and dangerous is seen from the fact that every great country, including even the most democratic in the British dominions, has a double-chamber system of government and very strong safeguards against constitutional changes such as have just been forced upon Great Britain by the Coalition Government in 1911.

3. The advantages of the period of delay provided are illusory, and will in practice prove to be of no value for impartial revision; the passage of Bills a second and third time in the House of Commons will be mere formalities; and since that House denies to the House of Lords any claim to represent the popular will, its wishes, amendments, and suggestions will be treated with contempt.

4. A majority of the House of Commons may at any time be small and obtained as the result of corrupt or other bargaining, and it ought not to have the uncontrolled power of passing legislation of the gravest consequence, without the express consent of the people.

5. The House of Lords has indeed never opposed the will of the people when that will has once been clearly and definitely expressed in favour of any measure. The fact is clear from the progressive march of democracy in this country.

6. When a General Election has shown that the country was in favour of a measure the House of Lords has never opposed its passage into law.

7. Though the General Election may be an inconclusive method of ascertaining popular opinion on any particular measure as compared with the Referendum, it is at least a better and surer gauge of popular opinion than the judgment of a temporary majority in the House of Commons.

8. The Parliament Act is, in fact, only a device for passing a Home Rule Bill without the necessity of first obtaining that consent of the country, which there are excellent grounds for believing would be withheld.

9. If the composition of the House of Lords is not perfect the fault lies in part, at any rate, with the Radicals, who have created many more peerages than the Unionists.

10. That Radical Peers have failed to give a continued support to their Party is only another proof that the general tendency of all Second

Chambers is to be Conservative in character, as compared with Chambers of first instance.

11. The real remedy for the existing state of affairs is a reform of the House of Lords in the direction of making it an impartial assembly.

12. It is far from true that other than landed interests are not well represented therein. Most of the new creations are made in favour of the heads of great manufacturing and industrial concerns.

13. The Unionist Party have shown themselves entirely prepared to reform the House of Lords and to make it more truly representative and popular in character.

14. A strong Second Chamber of this nature, with the Referendum, would make for stability of government, much more than the system established by the Parliament Act, which, in effect, destroys the Second, and allows no appeal to the people from the chance majorities of the First, Chamber.

ARGUMENTS FOR AND AGAINST THE REFERENDUM.

FOR.

1. It ensures in the clearest possible manner that the will of the people shall prevail, and that measures shall not become law without the support of a majority of the electorate.

2. It gives the electors the simple choice of an affirmative or negative reply to the question whether they are or are not in favour of a given legislative proposal.

3. It removes the greatest defects of our existing system under which the Government enjoys all the power in the House of Commons, and becomes the sole interpreter of what it asserts to be the will of the people.

4. In practice members of Parliament support their Party and follow their leader; the theory that they possess, or at any rate act upon, independent conviction is untenable.

5. The results of this rigid form of Party rule can be overcome by the use of the Referendum in cases of great legislative importance.

6. The verdict of a General Election is taken upon a multitude of conflicting and confused issues, which effectually prevent electors from casting their votes upon any one selected question.

7. While there may be one issue in respect of which large numbers of electors pre-eminently cast their votes, there is nothing to prevent the Government, under the Parliament Act, from passing into law legislation on any subject which was not before the electorate at the General Election.

8. Therefore under the new conditions set up by the Parliament Act in order to secure that nothing shall be passed into law which the majority

of the electors have not approved, it is more necessary than ever that the Referendum should be established.

9. While a General Election by its verdict may show that the country disapproves the old Government and desires that its acts, or some of them, should be reversed, a new Government cannot proceed at once to repeal any obnoxious legislation passed by its predecessor, even if there were no doubts as to the precise measures the electors wished to reverse, which without a Referendum is difficult of ascertainment.

10. If this were possible, the frequent enactment and repeal of laws is to the last degree undesirable, and the better course is to make sure that a measure is wanted before it is placed on the statute-book.

11. The Referendum is especially well adapted to decide questions in dispute between the two Houses of Parliament, since it is a reference to the final court of appeal—the electors.

12. It is also singularly well calculated to secure an unprejudiced verdict on a particular legislative project without occasioning undue disturbance, because, according to the practice of countries in which its use prevails, an unfavourable verdict on an isolated issue does not necessarily, or usually, result in the resignation of the Government.

AGAINST.

1. The Referendum is an attack upon our present representative system, which is the sure and satisfactory basis of liberty and self-government.

2. Its adoption would degrade the House of Commons by removing from members the responsibility of interpreting the will of the people.

3. Complaints of Government control and want of independence on the part of private members are exaggerated. So much is this the case that it has happened within recent years that Governments have been compelled to abandon or amend their legislative proposals as the result of a hostile attitude on the part of those by whom they are generally supported.

4. The ordinary elector cannot be expected to understand the technical and complex provisions of Bills of many clauses, full of disputable and controversial points.

5. The true theory is, that electors should decide upon the main principles as advocated by political parties, and leave it to those members of the House of Commons in whom they have put their trust to put these principles into operation.

6. There is no analogy between the position of Great Britain and that of a small country like Switzerland, or new communities like the States of the Australasian Union, and it cannot therefore be fairly argued, from the success of the Referendum in such cases, that it will work well in the United Kingdom.

7. The use of the Referendum will not avoid the turmoil and dislocation of trade resulting from a General Election, because the same political

organisations would be at work and the same machinery would be employed.

8. The Referendum would in fact frequently lead to an immediate second General Election, since the defeat of an important Government Bill would in practice often be followed by the resignation of the Ministry.

9. The adoption of the Referendum also involves an inconvenient admission of the right of the people to initiate legislation outside the House of Commons.

10. The Referendum fails to secure the popular verdict on a particular measure because, as the experience of other countries proves, a considerable proportion of the electorate fails to record its vote.

11. This would especially be the case in Great Britain if a Bill, which in popular belief at any rate applied only to a portion of the country, such as the Welsh Disestablishment Bill, were subjected to the Referendum.

ARGUMENTS FOR AND AGAINST THE PAYMENT OF MEMBERS.

FOR.

1. The principle has been repeatedly affirmed by the House of Commons by considerable majorities.

2. In all the great Parliaments of the world—with the exception of those of Spain and Italy—members are paid, and even in these two countries contributions are made towards their expenses.

3. Payment of members in the British Parliament is only a reversion to an earlier practice, with the difference that members are now paid out of the taxes, instead of out of the rates.

4. In recent years Parliament has made greatly increased demands on the time and attention of members, to such an extent, indeed, as to seriously circumscribe the area of choice.

5. Representation has been placed upon a democratic basis, and men of limited means have been, and now more and more will be, elected to the House of Commons.

6. Members of this class, however, unless paid when elected, are considerably handicapped in their endeavours to be elected.

7. The democracy is consequently unable to command a wide field of selection.

8. Men of limited means with a desire to serve the public were till now debarred from the House of Commons, unless they were supported by some political or industrial organisation.

9. In that case they incline to become representatives of the section which supports them, and not of the whole body of their constituents.

10. Such conditions are undesirable, and can only be avoided by payment by the State.

11. The salary received by members will enable men of limited means to live while attending Parliament without lessening their opportunities of supplementing their incomes by professional work during such times as they are free from their Parliamentary duties.

12. Payment for public service, which does not degrade a soldier, sailor, or civil servant, should not degrade a member of Parliament.

13. There is no analogy with the case of local administration, which, save for the exceptional instance of the London County Council, does not, like Parliament, absorb practically the whole of the time of members for at least half the year.

14. Local administration does not require attendances, as is generally the case with Parliament, at a centre more or less remote from home and business, but leaves its representatives at home with the greater part of their time available for their private affairs.

AGAINST.

1. Paid members of Parliament become the mere delegates of their constituents rather than free representatives, and thus suffer a loss of moral authority.

2. Payment provokes the disappearance of members occupied in other walks of life, but possessed of sufficient leisure and inclination for public duty in the House of Commons.

3. This has proved to be the case in the United States and Canada, where great difficulty is experienced in inducing representative and influential men to enter politics, which have thus become a by no means highly esteemed profession.

4. The present type of representative will be replaced by the professional politician, which will be a great loss to the House of Commons, and to public life.

5. Payment of members will not necessarily lead to the larger representation of the working classes by members of their own class, but by professional agitators.

6. Such has been the experience of other countries wherein members are paid.

7. Gratuitous public service is one of the glories of British public life, and has produced the most happy results.

8. No Parliament in the world possessed a reputation for purity and independence equal to that of the House of Commons before payment of members was introduced.

9. The rate of pay will be increased, as it has been in other countries, until the salary becomes a more serious burden on the taxpayer, and a larger prize for the professional politician.

10. Payment induces corrupt bargaining between candidates and political organisations.

11. There is no analogy between the payment of ministers and the pay-

ment of members; the former have to give up their whole time to the service of the State, the latter should be representatives of the people, engaged in various callings rather than professional politicians, whose good faith is often open to doubt.

12. Public men whose limited financial resources render a Parliamentary candidature difficult in their case, but whose qualities make their adoption desirable, are few in number, and it would be better in such exceptional cases to make exceptional payment, rather than to waste public money by forcing it upon men whose pride it is to serve unpaid.

13. Payment of members is not accepted by the Labour Party as an alternative to reversal of the law as interpreted by the Osborne Judgment, since it in no way gives them control for political purposes of the funds of the Trade Unions. The object with which the change is introduced therefore fails of attainment.

14. Payment will give an undesirable length of life to a Government, since a dissolution will threaten many members with the loss of their livelihood.

15. The adoption of this novel principle will inevitably lead to claims for payment for the many services now gratuitously rendered in the judicial, administrative, and local departments of public administration, and will further add to the deplorable and unjustifiable increase in paid offices, which the country has witnessed in the past six years.

ARGUMENTS FOR AND AGAINST MANHOOD SUFFRAGE.

FOR.

1. It gives to every adult citizen, who is not obviously disqualified, the right to vote.

2. Being based upon a broad and simple qualification it enables the adult citizen without trouble to obtain the franchise.

3. It removes the absurd and technical qualifications which are required under the present law, and prevent many obviously qualified citizens from getting the vote.

4. It is the only franchise possible in a truly democratic state, since it alone ignores property as a necessary qualification.

5. It is the natural sequel to previous Acts extending the franchise to the non-propertied class.

6. And further, reduces the indefensible influence of wealth and property.

7. Since earlier extensions of the franchise have not resulted in bad government or the introduction of undesirable elements into the administration, it cannot be presumed that this further extension will weaken the independence of Members of Parliament or of Ministers.

8. Rather, by giving more individuals a direct interest in the government of the country, will stability and good government be increased as responsibility is extended.

9. Whatever may be the dangers to the State from the rule of democracy, such will not be lessened by denying the franchise to a number of citizens.

10. On the contrary, an unfranchised class being irresponsible and outside the pale of citizenship is more likely to act violently and dangerously, than a class of responsible voters.

11. Manhood suffrage will not however enfranchise any particular, or undesirable, class, but will give the vote to many, who have at least as great a stake in the country as some of the present electors.

12. It will enfranchise a large number of excellent citizens who for technical reasons cannot now qualify.

AGAINST.

1. The existing franchise is wide enough to secure the vote to all responsible citizens.

2. It is rather necessary to limit the existing franchise, since experience shows that many undesirables at present have the vote.

3. Extension means cheapening the franchise, and tends to make responsible voters hold their rights in light respect, and to take little trouble to record their vote.

4. The vote should rather be the prized possession of the good citizen, than the right of all sorts and conditions of men.

5. With the extension of the franchise to all adults, politicians will be under great temptation to advocate confiscatory and socialistic legislation to secure the votes of the "have nots" who greatly out-number the "haves."

6. This tendency is very apparent now, and would be further accentuated if the electorate were enlarged by the addition of such as cannot even satisfy the requirements of the existing law.

7. Such qualifications are so simple that every responsible citizen can qualify for a vote.

8. Moreover, it would be perfectly easy to remove technical obstacles without touching the principle of qualification for the franchise and, by so doing, save the risk of grave danger to the State.

9. The proposed extension is moreover wholly contrary to the principle of English franchise law, which is based upon the possession of local interest in the constituency, and confers no right to vote on the individual as such.

10. It will encourage and facilitate personation and other election offences.

11. It will increase the cost of elections, and by enfranchising a shifting population will make the results very uncertain.

BIBLIOGRAPHY.

So far as the Parliament Act and the action of the House of Lords are concerned there are no other publications on the subject than those issued by the Publication Departments of the political parties. The arguments for and against the measure are best stated in the Debates in both Houses of Parliament. Publications of a more permanent character are, against the House of Lords, "The House of Lords: who they are and what they have done," by Harold Spender; and for the House of Lords, "The Crusade against the Constitution: an Historical Vindication of the House of Lords," by Sir William Charley. The latter volume, although issued in 1895, is a remarkable exposure of the charge against the Second Chamber of obstructing Radical legislation. "Our Old Nobility," by Howard Evans (*Morning Leader* Office, 6d.), is an attack upon the Peers individually and personally, and the widespread circulation of the opinions expressed in the volume is doubtless responsible for much of the ill-feeling excited against members of the House of Lords. The composition of Second Chambers, their powers, and the steps necessary to secure an amendment of the Constitutions in the principal countries are detailed in "Modern Constitutions in Outline," by L. Alston (Longmans, 2s. 6d. net). The Composition and Functions of Second Chambers in other countries are dealt with in Cd. 3824 of 1907 (price 7d.), and in British Colonies in House of Commons Paper, No. 81 of 1910 (price 2½d.).

Publications on the Referendum are "The Referendum in Switzerland," by S. Deploige; "Against the Referendum," by Miss Jane Stoddart; and "An Appeal to the Nation," by Professor Dicey (Murray), being a treatise, by a supporter, on the Referendum in its relation to British politics. *The Quarterly Review* for April, 1911, contains an article, "The Referendum in Operation."

Payment of Members has not been dealt with in separate publications. The Party literature supplies the arguments for and against, and the Parliamentary Debates should also be consulted.

CHAPTER VIII

FRANCHISE AND REPRESENTATION

IT is doubtful whether any one, outside the ranks of political agents and of the few lawyers who specialise in such matters, really understands the intricacies of our franchise laws. And even these experts are subject to surprises, judgment being often given on some disputed point of law, which entirely upsets their calculations.

SIMPLIFICATION NECESSARY.

Irrespective of party, a case can easily be made out for the simplification of the franchise. The right to a vote should be simple of proof, and should not rest on technicalities. That is the ideal. In reality, however, a vote is often hard to obtain. This is partly, no doubt, due to the complicated character of the law; and since elections are often lost and won in the revision courts, it would be against human nature for political agents either to abstain from getting their own supporters on the register, or from securing the disfranchisement of opponents, even on purely technical grounds.

The counsel of perfection is that the preparation of the register should be the work solely of public officials. In theory that is the case now, and it is doubtful whether the authors of the present registration laws ever contemplated that party agents would occupy the prominent position which they do to-day in the registration courts. Whatever provisions were enacted with the object of making registration an official and not a party matter, it would seem impossible to keep the party agent out of the business. If he were eliminated some kind of provision would have to be made for raising objections to proposed voters, and for dealing with claims to be

placed on the register. Although in the former case the objector might be a private elector, and in the latter the man might have to prove his claim himself, there would be no means of preventing all the real work being done in the background by the political agents. Indeed, this is inevitable, since all that the party agents are striving to effect depends on the vote.

SUGGESTED REFORMS.

While the exclusion of the party factor from the registration courts is probably impossible, there is much room in other respects for the simplification of the law. The present period of qualification is generally regarded as too long, and it operates in an anomalous manner to deprive citizens of the franchise. In the case of the most common—the household—franchise the inhabitant, either as owner or tenant, must have occupied the qualifying premises for twelve months preceding July 15th in any year. The register, which is made up in July of any one year, does not, generally speaking,* come into operation until January of the following year.† As a consequence a householder may have to wait thirty months before qualifying as a voter.‡ He would, however, if already qualified, retain his vote in his former constituency for eighteen months. During that period he becomes one of the army of

* In England and Wales the Parliamentary Register comes into operation on January 1st, in Scotland on November 1st, and in Ireland on January 1st.

† The revision courts are not over until October 12th, and the new register is not finally settled until they are completed. It is doubtful whether the period between July 15th and the first day for holding the courts—September 8th—could be shortened. Some time must necessarily elapse between the first publication of the lists and the sittings of the registration courts to allow of claims and objections being made. The election of December, 1910, except in Scotland, was consequently fought upon a register made up in July, 1909, for which a householder's qualification had to begin in some period not later than July, 1908. But the verdict is regarded as an expression of the people's will as it existed in December, 1910!

‡ A tenancy begun on July 16, 1911, would not qualify the householder until July, 1918, and the register would not come into force until January 1, 1914,

"removals," the tracing of which is an agent's despair during an election on a "stale" register.

The grievance, which is undoubtedly felt by electors, in respect of the period of qualification is not lightened by the law which enables an elector who moves from one house to another in the same constituency or division of a constituency to keep his vote by claiming "successive occupation." Curious anomalies arise in the exercise of his privilege. In a large county it is possible for a man to move many miles in one direction and retain his vote, but if he lives on the edge of the constituency he may only have to move a few yards in the other direction into another county to lose it. In London it is often enough to cross the road to be deprived of the vote.* This indefensible situation points to the need of extending the principle of "successive occupation" to cover removals from one constituency to another.

THE QUALIFYING PERIOD.

Another remedy for the removal of the preliminary difficulty in obtaining a vote is a reduction in the qualifying period. Some period, however, is necessary, and opinion in some quarters has favoured three months. A longer time than that, it is declared, would inflict a hardship upon working men who are often compelled to change their residence in the search for employment. Others regard three months as too short a time, which would tend to place the really resident population in a constituency at the mercy of a floating and less responsible section. The adoption of so brief a qualification would certainly increase the difficulties of registration and possibly encourage personation and fraud. More moderate and acceptable opinion points towards a reduction of the present qualifying period to six months in addition to an extension of the principle of successive occupation.

* The London Elections Bill, 1909, would have removed this anomaly by making London a single parliamentary borough. The real object of this measure, however, was to abolish plural voting in London, and it was rejected by the House of Lords,

THE LODGER FRANCHISE.

In a hardly less degree, however, the law requires amendment in respect of the lodger franchise. While the occupier of lodgings of £10 annual value unfurnished is entitled to a vote, he must claim every year.* Lodger claims, indeed, form the main matter for contention by party agents at revision courts. Under an energetic agent the numbers invariably rise, the voters not being lodgers in the strict sense of the word, but often sons, for instance, living with their parents. This qualification in respect of annual value is usually very loosely interpreted, and the present tendency is to grant the lodger vote except where obvious disqualifications exist. The advantages of the household over the lodger franchise have already been mentioned, and there has consequently arisen a tendency to claim, wherever possible, under the household franchise. The practice of letting houses to more than one family causes considerable confusion, and leaves the decision whether claimants are entitled to the lodger or householder franchise to be settled upon minor considerations.

Not less difficult to defend upon logical grounds is the "service" franchise, especially in relation to conditions of domestic service. This entitles a man who inhabits a dwelling-house by virtue of any office, service, or employment to a vote, so long as the person under whom he serves does not live in the same house. Thus the coachman, gardener, and lodge-keeper obtain a vote which is denied to the butler, footman, and valet.

The anomalies of the franchise naturally give reformers opportunities of making a good case for amendment. Their demands, however, go far beyond a readjustment of the existing system, for they desire to bring about changes which materially affect the foundations of the franchise.

* Consequently when a lodger changes his lodgings from one house to another—even in the same constituency—he loses his vote for at least twelve months. When he becomes a householder the same situation arises,

ADULT SUFFRAGE.

Adult suffrage especially is put forward as a cure for all the evils of the franchise system, and not only would its adoption include manhood suffrage, but, as was thought, votes for women also, upon the same terms as for men.

Mr. Asquith has however announced that his Government will introduce a manhood suffrage bill at an early date, and will leave it to the House of Commons to amend it by the inclusion of women, if so desired.

Many supporters of manhood suffrage would, however, shrink from admitting the universal application of the principle that the attainment of a specified age entitles the male citizen to a vote. Otherwise it would be impossible to deny a parliamentary system to India or Egypt, or voting power equal to that enjoyed by white men to natives of South Africa. These instances are merely given to show that the principle of universal manhood suffrage is hardly practical politics. It should always at least be provided that citizens before receiving votes must satisfy some authority *ad hoc* that they are fit and proper persons to exercise this privilege. While there is general agreement that the franchise should not be conferred upon criminals and lunatics, a distinct difficulty is experienced in prescribing such qualifying conditions as shall exclude the citizen whose undesirability is less pronounced than that of the criminal or lunatic, but shall at the same time be broad enough to include every average citizen whatever his rank in life, the amount of his possessions, or the extent of his intellectual capacity.

OUR FRANCHISE SYSTEM.

The English franchise system has not been the creation of a single autocratic administrator, but has grown up with the passage of centuries. In the beginning the exercise of the franchise was much restricted, but the conditions of education and popular intelligence were not such as commended to the legislators of those days a liberal extension. If the possession of landed property was the chief qualification for a vote, it was

because ownership of land was roughly a fair indication of education and fitness for participation in public affairs. Where the landed property qualification was low abuses resulted, as in the case of the 40s. freehold franchise in Ireland. No one would assert that the verdict of electors of this class, although the result of a popular vote, was any better indication of the popular will, than a verdict taken upon a more restricted franchise.

ITS EXTENSIONS.

With the spread of education, however, the franchise was extended. Although property qualifications were then excluded, nevertheless so far as the main, the household, franchise is concerned, the position of the voter as a tenant and payer of the current poor rate indicates a certain standing. The complications that attend this primarily simple franchise are due to the extension to other than householders proper, who were considered to be justly entitled to a vote. Hence the addition to the "household" franchise of a series of supplementary "lodger" and "service" claims. These may indeed contain the germ of manhood suffrage, and it may be conceded that age plus a simple qualification should under democratic government establish the right to a vote. So long as that right was restricted to the possessors of a certain amount of property, no necessity arose for these supplementary franchises; but when the "household" franchise obliterated the property qualification, the hard cases of men who were fully qualified for a vote, except that in a technical sense they were not "householders," required and received special attention and reasonably favourable treatment.

Generally speaking, however, the franchise of the United Kingdom approximates to manhood suffrage. The new Census figures do not yet allow a comparison to be made between the number of males qualified by age, and the actual number of voters. In any such comparison it should be remembered that, apart from those disqualified as criminals, lunatics, and paupers, there are large numbers who do not trouble to claim the vote. Particularly is this noticeable in the case of lodgers, and further allowance would have to be made for such as have

failed to qualify owing to the complicated and illogical character of many of the franchise laws to which reference has already been made. Their simplification could be carried out without arousing violent party strife, if the proposals made were free from any suspicion of party gain, and political gerrymandering.

WOMEN'S SUFFRAGE.

The impetus which the coming of a Liberal Government in 1906 gave to all desirable, and undesirable, reforms was in no instance more pronounced than in relation to woman suffrage.

Numerous societies, leagues, and unions were established to press forward this question, which, however, differed on matters of policy, and even on the particular franchise which the women desired. Some adopted "militant" tactics and made demonstrations by waylaying, interrupting, and attacking Cabinet Ministers, and coming into conflict with the police. Others repudiated these tactics, and contented themselves with the more orthodox methods of agitation. Both schools have recently combined to support a measure known as the "Conciliation" Bill. No one will under-rate the energy and enthusiasm which the advocates of women's suffrage have shown in their cause, but they have made little or no impression upon the male elector, who has, however, generally speaking, allowed himself to be interested and amused. The woman speaker in the street-corner was a welcome change from the ordinary open-air orator. These enthusiasts have been treated with kindly tolerance because the male elector has hitherto declined to take them and their demand at all seriously. While they have enlisted the support of many members of Parliament, there is a solid array of sound opinion outside, less vocal than weighty, entirely opposed to women's suffrage. It is well understood that many, perhaps most, of the members who vote for it rely, or once relied, on the House of Lords, or a saving sense of sanity in the public, to undo their deeds. They vote from complaisance, to redeem an election promise, from a desire to escape worry, from a general disposition to yield to anything in the way of pressure, and

think little harm will be done. Women helped in their election, they must in turn help women.

The question at Westminster, however, gains its interest from the peculiar way in which it cuts across the ordinary divisions of parties, and this cleavage is reflected in the country ; and when the real fight upon this issue comes, if it does come, Conservatives may be seen rallying round Mr. Asquith, as Liberals have, in this behalf, round Mr. Balfour.

Opposition to women's suffrage partakes of two characters. There are out-and-out opponents who stand by the sex bar, and there are those who would not be hostile if they could be persuaded that it was possible to stop at a restricted franchise, and that women would not also demand the right to sit in Parliament. It has been the aim of the more astute suffragists to capture moderate opinion, and their so-called "Conciliation" Bill * is put forward as a united demand of a moderate character.

It is provided by this measure that every woman possessed of a household qualification, as defined by the Representation of the People Act, 1884, shall be entitled to be registered as a voter, and, when registered, to vote for the county or borough in which the qualifying premises are situated.

The Bill denies women plural votes, a concession to Liberal opinion ; and it seeks to conciliate moderate opinion by restricting the franchise to those who directly or indirectly pay rates. It does not forbid the vote to married women, but prevents a wife exercising the franchise if her husband is registered as a voter in the same parliamentary borough or county division.

By its supporters it is estimated that the Bill will enfranchise

* House of Commons Bill, No. 6 of 1911. This measure differs from the "Conciliation" Bill of 1910 (No. 180), in respect of its title, of the omission of the £10 occupation franchise, and of its treatment of married women. The title of the Bill of 1911 is so altered that amendments can be moved to extend its scope, and it restricts the enfranchisement of married women, in deference to the fear that "faggot" votes would be created, by preventing husband and wife from voting in the same constituency. (See Brailsford, "The Conciliation Bill: an Explanation and a Defence," Garden City Press, Letchworth.)

1,000,000 women,* and it is the outcome of a compromise both in respect of the qualification for the franchise, and in its treatment of married woman. Many, probably most, suffragists and their male supporters want adult suffrage, and have only accepted this Bill as a recognition of the claim of women householders to prior treatment. If it became law they would still press forward the adult suffrage solution, which would give between five or six million women the franchise—to which the moderate supporters of the present Conciliation Bill † would by no means agree.

Opponents of the Bill naturally protest that it was not made an issue at the last General Election, and that the question has never been before the country in any real or effective sense. They object to so revolutionary a measure being passed into law without a definite demand from the people. They point out very properly that though the advocates of the Bill may declare it to be of a most moderate character, it is avowedly supported by many because it sanctions the principle of votes for women, and is a mere instalment of reform.

The case of opponents would be practically lost if this principle were once conceded. They would have to fight extensions of the suffrage not on the principle that "votes for women" were inadmissible, but solely on the demerits of the particular measures of extension before them at the time, and their difficulties would be immensely increased by the fact that these measures would also deal with extensions of the franchise to men. There would in the future be no clear-cut

* See Sir George Kemp's speech, House of Commons, May 5, 1911. Parliamentary Debates, vol. 25, p. 744.

† It was read a second time in the House of Commons on May 5, 1911. The Government have promised facilities for the measure during 1912, a day for Second Reading, and a week for the Committee stage, with a fair chance for its promoters to overcome obstruction and make real progress, and a further pledge that the Government will not intervene at the end of a week if the House of Commons desires to proceed. (See Sir Edward Grey's speech at the National Liberal Club, June 1, 1911.) The position, however, is completely altered by the recent announcement of a Manhood Suffrage Bill.

issue on the question of woman suffrage, and the country might find itself in the position of being governed by a majority of women before it realised the situation in which it stood, or the dangers to which it had become subject.

Opponents of women suffrage, therefore, regard the "Conciliation" Bill as a transparent effort to obtain assent to a revolutionary principle by a thinly disguised pretence of moderation. They oppose it altogether, using in this behalf all the general arguments directed against the enfranchisement of women. However restricted the immediate effect of the measure may be, it involves a recognition of the principle of sex equality, which is opposed alike by Conservative and Liberal anti-suffragists as dangerous * and inadmissible.

PLURAL VOTING.

The Liberal Party is, however, united in demanding the abolition of the "plural vote." Residence not being a necessary qualification for the exercise of the ownership franchise, the possession of land of sufficient value qualifies the owner for a vote in every constituency in which he has property.† This situation arises from the traditional theory of the franchise that the ownership of land was the test of fitness to vote, which is entirely contrary to the contemporary popular claim that no man shall be denied a vote unless obviously disqualified, and that to give undue weight to the holders of a particular kind of property is indefensible. The position of

* The arguments for and against women suffrage are set out in the summary at the end of this chapter.

† In counties the ownership franchise may be freehold, copyhold, or leasehold. In no case is residence required. In boroughs the freehold ownership vote qualifies the owner for the county vote, unless the freehold is in his own occupation. In boroughs a copyhold or leasehold does not qualify the owner for the county vote, if it qualifies himself or any other person (i.e., his tenant) for the borough vote. The freeholder, copyholder, and leaseholder in boroughs vote in an adjoining county constituency: Surrey freeholders in the county of London in the Wimbledon division; Maidstone freeholders in the Medway division; Manchester freeholders in the Stretford division, and so on. This arrangement is denounced by Liberals, who declare that resident Liberal opinion is swamped by Tory "plural voters."

the plural voter gives rise to certain anomalies, for since no man may cast more than one vote in any one constituency, a large landowner whose property is compact and all situated in such an area, has only one vote, while a smaller landowner whose property is scattered over half a dozen counties has half a dozen votes. Again, a City man may have one vote for his office, another for his West End house, and a third for his week-end cottage, though an entry on the ownership list does not necessarily indicate the possession of a plural vote, since the person whose name is entered may, of course, be resident on the property. Plural voting also obtains in respect of University seats.

As a class plural voters have earned the bitter hostility of the Liberal Party, principally for the reason that they are suspected of being, and probably for the most part are, Conservatives.* In 1906, by the Plural Voting Bill, and in 1909, so far as London was concerned, by the London Elections Bill, the Liberal Government tried to reduce the plural voter's qualifications to a single vote. The somewhat devious methods by which the result was to be attained lent colour to their opponents' allegation that they were solely seeking party advantage. Although both measures were rejected by the House of Lords, it is an indication of the trend of public opinion that the Peers did not attempt to defend the principle of plural voting,† but only declined to accept a Bill which merely dealt with one aspect and one branch of a great and complicated subject, and made no attempt to remove the glaring inequalities which exist in the distribution of electoral power.‡

* *The Liberal Magazine* (January, 1911, p. 665) estimates that "the property outvoter gives the Unionists at least thirty seats." In the same number statistics are given showing the plural vote in certain constituencies. See also "The Case for One Man, One Vote," issued by the Liberal Publication Department, 42, Parliament Street, Westminster, S.W.

† So Mr. Balfour, when advocating the Referendum, said there would be "no plural voting," and he added that as a result of its adoption "the gross inequalities due to differences in the size of constituencies will be avoided" (*The Times*, December 7, 1910).

‡ See Lord St. Aldwyn's motion, House of Lords, December 10, 1906, and the debate on that occasion.

"ONE VOTE, ONE VALUE."

It would seem, then, that the life of the plural voter will not be prolonged beyond the introduction of a comprehensive scheme of franchise reform and redistribution. To the cry of "one man, one vote" the Unionist Party have very logically added the demand for "one vote, one value." Indeed, unless each vote has the same value the equality so ardently desired by real reformers is not secured. The real reformer, as distinguished from the party gerrymanderer, demands equal electoral districts throughout the country, and would deal with the question of the plural vote as part of a great scheme, of which redistribution should be the chief feature.

At the present time, in order to secure an indisputable expression of the will of the people, this is the one and only counsel of absolute necessity. It is a peculiarity of our electoral system that the basis of representation is not electors but population; and as since 1884 there has been no redistribution measure, changes of population have produced most unequal constituencies. Some have increased enormously in size, others have declined, and an unequal distribution of electoral power is the result. One vote, indeed, may have twenty times greater value than another.*

THE NEED FOR REDISTRIBUTION.

The attitude of the House of Commons towards this question shows the Party system in its most unfavourable light, and the opposition of the smaller constituencies to any scheme involving their extinction as separate entities is a factor with which the House has to reckon. The Unionist Government did introduce a scheme of redistribution in 1905, which was, how-

* Halifax	...	...	101,556	inhabitants	Two members.
Huddersfield	...	...	107,825	"	One member.
Bath	...	...	50,729	"	Two members.
West Ham	...	...	289,192	"	Two members.
Wandsworth	...	...	311,402	"	One member.
Montgomery Dist.	...	...	17,791	"	One member.
Kilmarnock Burghs	...	...	105,081	"	One member.
Kilkenny	...	...	13,112	"	One member.

ever, dropped.* Indeed, it met with no very general support, and no attempt has since been made to deal with the question, notwithstanding that Mr. Asquith so far back as January, 1902, admitted that the existing state of distribution called "for speedy remedy."† Redistribution must of necessity be one of the last acts of a Parliament; but the real difficulty, especially in the present situation of affairs, is the Irish Nationalist vote. Mr. Redmond's followers, representatives to a great extent of small constituencies, are naturally intolerant of change which would reduce their numbers and power at Westminster. Their opposition is based on the Act of Union, which they declare cannot be altered without general consent.‡ They declare that it would be unjust to deprive Ireland of her present representation by reason of her decreasing population, which is due to the absence of Irish Home Rule, and to the unwise administration of an Imperial Parliament ignorant of Irish conditions.

It may be taken for granted for the immediate present that redistribution is postponed until after the passing of Home Rule, whereby Irish representation in the Imperial Parliament must be largely modified.

METHODS OF REPRESENTATION.

Meanwhile men's minds have turned towards other proposals for securing a more accurate representation of the

* It was decided to proceed by a resolution which was introduced into the House of Commons on July 18, 1905; but on the decision of the Speaker that it ought to be divided into eight or nine separate parts, to be discussed *seriatim* in Committee, it was withdrawn. The principles upon which the Government then in power proposed to carry out the redistribution were detailed in a memorandum by Mr. Gerald Balfour, M.P., the President of the Local Government Board (Cd. 2602 of 1905).

† On an amendment to the Address on January 26, 1902, Mr. Asquith said: "I think we are all agreed that the existing state of our representation as regards distribution is anomalous and indefensible, and calls for speedy remedy" (Parliamentary Debates, vol. 101, p. 1332).

‡ The Act of Union gave Ireland one hundred representatives in the House of Commons. By the Reform Act of 1832 the number was increased to 105 and by the Reform Act of 1885 reduced to 103.

popular will at Westminster.* The breaking up in this country of the "two-party" system has led in many constituencies to more than two candidates standing for one seat, and the result produced by existing conditions, which give the voter only one opportunity of expressing a preference, leaves much to be desired. Indeed, it often happens, as a result of three or more candidates standing, that the one at the head of the poll represents only a minority of electors voting.†

Of the various schemes put forward, two require an absolute majority in single-member constituencies, while others, being particularly designed to ensure the representation of minorities, apply in the case of multi-member constituencies. Of the former type, are the second ballot and the alternative vote; of the latter, the limited vote, the cumulative vote, the transferable vote (more generally known as proportional representation),‡ and the list system.

THE SECOND BALLOT.

Under the Second Ballot system a candidate, to be returned, must obtain an absolute majority of the valid votes cast. If

* A Royal Commission was appointed in 1908 "to examine the various schemes which have been adopted or proposed in order to secure a fully representative character for popularly elected legislative bodies, and to consider whether and how far they, or any of them, are capable of application in this country in regard to the existing electorate." It reported in 1910 (Cd. 5163).

† There have been many cases; but the anomaly was shown in its most extreme form at a by-election in the Attercliffe Division of Sheffield, when four candidates ran, and the poll resulted as follows:—

Pointer (Lab.)	...	...	...	3,581
King-Farlow (C.)	...	...	...	3,880
Lambert (Lib.)	...	...	...	3,174
Muir Wilson (I.C.)	...	...	...	2,803

The first named was declared duly elected, although he had but a little over a quarter of the votes cast.

‡ Strictly speaking, all schemes of the latter type are schemes of proportional representation. The name here has become specially attached to the transferable vote from the fact that that is the plan advocated by the Proportional Representation Society (179, St. Stephen's House, Westminster, S.W.).

the election produces no such definite result, it becomes necessary to hold another election, at which, in the case of a single-member constituency, only the two candidates who were first and second on the first poll compete.* This system is in operation in Austria-Hungary, France, Germany, Italy, Russia, and in most of the smaller European States. It has, however, great and obvious defects. A second election within a short time is necessary, candidates are put to much extra expense, and the disturbance to business which an election causes is considerably prolonged. There would also be no little difficulty in inducing electors to record their votes for a second time in a short period, and during the interval undesirable "log-rolling" is likely to take place.†

THE ALTERNATIVE VOTE.

The Alternative Vote system is designed to avoid the necessity for a second ballot by giving the elector on the first occasion an opportunity of indicating the order of his preference for the candidates by placing them consecutively on his ballot card, 1, 2, 3, and so on. In the example of three candidates for one seat, where one candidate has not secured an absolute majority, the third drops out, and his papers, and of course his only, are examined with the object of ascertaining the second preferences of those who have voted for him. The system is far from perfect in securing the return of the candidate most desired, since the examination of all the papers is not undertaken for ascertaining second preferences. There is too the likelihood that a large percentage of voters will fail to record a second preference.‡ Notwithstanding its imperfections, the Royal Commission recommends its adoption in single-member constituencies as "the best method of

* The principle is the same where there is more than one seat to be filled. If less than the required number of candidates obtain the necessary majority, two candidates again submit themselves for each seat.

† Report of Royal Commission on Electoral Systems, Cd. 5163, par. 17.

‡ In Australia the average number of second preferences used is 65 per cent. (Cd. 5163, par. 22).

removing the most serious defect which a single-member system can possess—the return of minority candidates.” *

THE CUMULATIVE VOTE.

The other systems for securing more accurate representation involve the reconstruction of our system of single-member constituencies.† Of such systems the Cumulative Vote has already been tried in this country in connection with the School Board elections. The voter is given as many votes as there are candidates, and can spread them over as many candidates as he pleases or plump for one candidate. The Commission state that this system has secured the representation of religious minorities and of women on the School Boards, but they add that it “stands self-condemned” from the fact that “its successful operation requires the implicit obedience of the elector to the directions of the party manager.” ‡

PROPORTIONAL REPRESENTATION.

Of systems designed to effect the representation of parties in strict proportion to their strength at the polls, there are said to be some three hundred in existence. Two alone have commanded attention—the system of the Belgian List and that of the Transferable Vote, advocated by the Proportional Representation Society.

THE LIST SYSTEM.

The Belgian system involves the preparation of lists of candidates in an order of preference, which has received support from a body of not less than one hundred electors. The voter supports the whole group in the given order, or chooses some one candidate to head the list, and the seats are apportioned to each group in proportion to the number of votes it

* Cd. 5163, par. 26. The “alternative vote” and its defects are treated at length in pars. 18–27 of the Report.

† Excluding the three two-member Universities, there are only twenty-four two-member constituencies in the boroughs. These, it is said, were retained in 1885 as a result of Mr. Gladstone’s “personal sentiments” (Cd. 5163, par. 8).

‡ Cd. 5163, par. 43. It is not used anywhere for political elections.

obtains.* The order of election in each group is regulated by the "straight" vote which supports the order as printed on the list, and by the individual choice which each elector may exercise. The system is open to the obvious objection that it gives immense power to party managers in arranging the order in which the names shall be printed.

THE TRANSFERABLE VOTE.

The Transferable Vote does not suffer from this serious defect. As originally proposed it would have made the whole of the United Kingdom one constituency.†

Practical considerations, however, prevented the adoption of this ideal method of securing representatives irrespective of party. Hare's scheme has undergone various changes,‡ and at the present time the proposals for the adoption of the Transferable Vote as advocated by the Proportional Representation Society are as follows:—

The constituencies would be larger than they are, and would return three or more members.§ Each elector would have one vote, and he would place the figure 1 opposite the candidate of his first and the figure 2 opposite the candidate of his second choice, and so on.

A candidate to insure election must poll a certain proportion of the votes cast, which is known as the quota, and is ascertained by dividing the total number of votes cast by a number exceeding by one the number of seats to be filled, and adding one unit to the result.

Candidates who have received the quota are declared elected. All the votes of those candidates who have received more than

* Special provision has to be made for dealing with fractions involving the odd seat. See Cd. 5163, pars. 49–52, and for the French modification of the Belgian system, par. 55.

† By Thomas Hare, in his book, "The Machinery of Representation," 1859. The transferable vote received the powerful support of John Stuart Mill, in "Representative Government," first published in 1861, and later in the debates on the Reform Bill of 1867.

‡ See Cd. 5163, pars. 64–66.

§ The Royal Commission suggest seven, with nine or ten in populous areas (Cd. 5163, par. 79).

the quota are then examined for preferences. These are transferred in strict proportion to the surplus votes to the unelected candidates,* and such of these as have obtained the quota by the transfer of surplus votes are then also declared elected.

The candidates lowest on the poll are eliminated one after another, and their votes are transferred to the second preferences. This process is continued until the required number of candidates have obtained the quota, or by elimination the number of candidates is reduced to the number of seats still vacant.

The Proportional Representation Society claim for their system that it reproduces public opinion in its true proportions, securing majority rule, and a hearing for considerable minorities. It would give electors a wider freedom of choice and representatives greater independence. Its adoption is retarded because it is wholly alien to our present system of representation through single-member constituencies.

Where this objection is absent the proportional method of the Single Transferable Vote has commended itself as practicable to our legislators, and has been largely used in Lord Lansdowne's proposals for reconstituting the House of Lords.†

If our present system is in the main to be retained, the Alternative Vote seems best adapted to prevent a minority man being returned in three-cornered contests with the least disturbance to the existing arrangement of representation.

From this brief presentment of the subjects treated in this chapter it is obvious that the Franchise and Redistribution Bills, now overdue, are likely to give rise to much political discussion and many heated and prolonged controversies.

* In the earlier proposals the returning officer took at random from the elected candidates' votes a number equal to the surplus above the quota. This rough-and-ready method introduced an element of chance and opened the door to a possible manipulation of the voting papers chosen for examination for second preferences. It is now proposed to re-sort all the elected candidates' votes according to second preferences, and to give to the remaining candidates not all the votes cast for them, but that number which bears its proper proportion to the number of surplus votes available.

† See House of Lords Bills, No. 75 of 1911.

ARGUMENTS FOR AND AGAINST WOMEN'S SUFFRAGE.

FOR.

1. The claim to the vote is good because women have a large stake in the country ; they are subject to its laws, and they pay a fair proportion of the taxes.
2. Women are equally interested in the welfare of the State with men, and should have equal opportunities for making their views known.
3. While it is true that there are differences between men and women, the very existence of these differences justifies the claim for the vote, since if men and women were alike the representation of men would include that of women.
4. It is unjust that women should be taxed for public purposes and be denied a voice in public expenditure.
5. Without the vote women have no voice in making laws, which they have to obey.
6. So long as this sense of grievance and injustice exists among women they cannot be expected to co-operate loyally in obeying and respecting the law.
7. Women are intellectually as capable of exercising the vote as men.
8. The nation suffers a loss by denying to capable women a voice in the election of members of Parliament.
9. Satisfactory proof that women will rise to the level of their new responsibilities, when they get the vote, is afforded by the fact that they do for the most part, and in no less degree than men, faithfully and conscientiously fulfil the duties now entrusted to them.
10. Women have shown their ability for the conduct of public affairs by their work on local and municipal councils, which has given satisfaction not only to themselves, but to the public.
11. Women already take a considerable part in political life as canvassers and speakers, and their womanly qualities are not in consequence impaired.
12. If women are unable to form a judgment on political issues, they ought not, as now, to be allowed to persuade other people, but should be kept altogether out of politics.
13. Their political influence will be no more destroyed by the possession of the vote than has that of the various classes of men who have won the franchise.
14. The concession of the vote to women on the terms on which it is now enjoyed by men will certainly not be without injustice, since our franchise laws are full of imperfections ; but it will at least be less unjust than the refusal of the vote to all women.
15. The proposal to enfranchise women householders proceeds on the principle of giving the vote first to those who have the more urgent claim, since women householders have to pay rates and taxes.

16. Adult suffrage, it is true, would place the majority of votes in the hands of women, but no greater danger need result than has resulted from the majority of votes being, as is now the case, in the hands of the working classes.

17. All the women are no more likely to vote on one side against all the men than the working classes are to vote solidly as a class, which event has not yet arrived.

18. There may be many practical difficulties in the way of the adoption of women's suffrage; every reform is surrounded by difficulties, which it is the business of statesmen to overcome.

19. Physical force does not count to-day in the conduct of affairs; to say that every man may have to fight is playing with the question. Indeed, the possibility that any of us may ever have to fight again is explicitly denied by important sections in Imperial Parliament.

20. The ordinary elector is only so far concerned with the army and navy that he expresses his agreement with the voting of supplies. Women are equally qualified to take part in this, which is at present allowed to be the only necessary and proper way in which to participate in the defence of the country.

21. To say that the United Kingdom runs a greater risk by adopting women suffrage than smaller communities have done by taking similar action, is true not only of women suffrage, but of all political reforms, which none the less have come in crowds and whole battalions.

22. Enfranchisement of women is no more likely to blunt their finer qualities than higher education, which has had no such effect. Nature has endowed them with certain qualities of which no Act of Parliament can deprive them.

23. Queen Victoria, who from girlhood was immersed in political affairs, showed herself in all the public and private relations of life entirely womanlike.

24. The concession of a vote to the ordinary women elector will not have any greater tendency to lead her to spend laborious days in politics, to the neglect of her home life, than it has had in the case of the ordinary male elector, who does not as a rule neglect his business for politics.

25. To say that the enfranchisement of women would lead to differences in domestic life is to give undue weight to the axiom that domestic peace can only be purchased by the suppression of opinion.

26. Women even now cannot be prevented from expressing their opinions on political subjects in their homes, and peace is less likely to be preserved so long as they have no power to give effect to their views.

27. Neither in Australia nor in New Zealand has the State experienced any danger from the enfranchisement of women.

28. In matters of defence and of Imperial import women electors in Australia have shown themselves as far-seeing and as discriminating as men.

29. The enfranchisement of women there made elections more orderly, and has resulted in greater prominence being given to legislation particularly affecting women and children.

30. The statistics showing the numbers of electors voting in New Zealand prove that women are not indifferent to the vote, which they use when they have it.

31. It is intolerable that female workers should have to labour under conditions, which are regulated solely by politicians of the other sex.

32. When women get the vote they will ensure that their own labour is no longer underpaid, and men will thus gain, since they will not be displaced to make room for cheap female labour.

33. The enfranchisement of women will prevent the sphere of women's labour being narrowed, as it now is, by Parliament and the Trade Unions.

34. The wages of women are lowered by their unprotected and voiceless position in the labour market.

35. In Australia the vote has led to the establishment of a *minimum* wage for women as well as for men.

36. The power of the vote is seen in the case of the miners, who have secured an eight-hour day; women workers, having no vote, are sweated.

37. Many laws relating to women, being enacted by men, are unjust.

38. Although the law relating to the property of married women may now be satisfactory, no women can regard the long struggle that was necessary to secure justice with any satisfaction, or believe that if women had possessed votes it would not have been sooner obtained.

39. Political power is required to amend the divorce laws under which women can be divorced for one kind of offence, while offences of two kinds must be proved against their husbands before divorce is possible.

40. And to alter the laws which deprive wives of all control over and custody of their children, and make the husband the sole guardian.

41. Nearly seventy town and city councils have passed resolutions in favour of woman suffrage.

42. Measures conferring the franchise on women have been approved by the House of Commons on seven occasions.

43. It is time, therefore, that legal effect was given to the opinion of the representative chamber. That the change is of a bold and fundamental character is no sufficient argument against its adoption. All great reformers have been bold to the point of rashness, from Moses to Mahomet, and from Mahomet to Mrs. Pankhurst.

AGAINST.

1. Activity in political matters will impair the welfare of the nation by diverting the attention of women from their natural spheres of home-keeping and child-bearing.

2. Women, being entrusted with the great responsibility of perpetuating the race, have but little margin of strength and time for the demands which politics would make upon themselves and upon

their nervous systems, strain upon which would show itself in the degeneracy of the offspring.

8. Sex difference not only holds good of the bodies of men and women but also of their minds; equality of essential opposites cannot therefore ever be established.

4. Since men and women are fundamentally and physiologically different, the one is the complement and not the competitor of the other, and under natural conditions they consequently work in harmony; but the enfranchisement of women on terms of equality with men would introduce competition upon which conflict and friction would necessarily follow.

5. The physical nature of women unfits them for competition with men on terms of equality. Such competition would destroy the present chivalrous consideration men show towards women.

6. It would also weaken the existing, none the less powerful because indirect, influence which women exert in politics.

7. Queen Victoria, whose opinions on public questions have a value no one will deny, spoke of "woman's rights" as a "mad wicked folly" and expressed the opinion that "women are not made for governing."

8. The "supreme law," the safety of the State, would be imperilled by the grant of women suffrage.

9. It is the proper function of females to bear children, not arms, and women not being capable of bearing arms are not qualified for full citizenship, since force is the ultimate basis of all government.

10. The establishment of women's suffrage would weaken the power of the Empire throughout the world, and especially in India, which at any rate is admittedly held by force of arms.

11. If our position amongst other nations in trade and politics is to be maintained a virility equal to that of our most formidable competitors must be displayed, and woman suffrage would impair the virility of our national policy.

12. Questions with which Parliament has to deal—the administration of the Empire, the Army, the Navy, peace and war—lie without the legitimate sphere of women's influence.

13. There is no such thing as a right to a vote; it is a privilege given to the citizen, not for his private benefit, but to be exercised for the good of the State.

14. Once the principle is admitted, women must be enfranchised upon the same conditions as men, otherwise the desired equality will not be attained.

15. The approach of adult suffrage in the near future is an insuperable objection to women's suffrage, which would necessarily involve the enfranchisement of all women.

16. As women outnumber men by 1,300,000, women under adult suffrage would be in a majority, and the government of the Empire would be placed under the potential, possible, or actual control of women.

17. Popular government obtains its strength from the belief that existing laws are sanctioned by a majority of the men, who would if necessary fight to enforce them; but laws made by a majority of women would not have this power behind them, since women could not secure obedience by the exercise of force.

18. Competency to vote involves competency to sit in Parliament. Women who make, must be competent to act as, members. There can remain no sex disability in public life if the right to vote be granted, and women would have to be placed on an equality with men in respect of entrance to Parliament, the Cabinet, the Judiciary, and the Civil Service.

19. The franchise has never yet been extended to persons who are generally indifferent about receiving it, and the majority of women are indifferent, if not actually hostile. Suffragists are not representative women; on the contrary, in proportion as women desire to assume the functions of men, they are unrepresentative of their own, and approximate to Plato's third or androgynous, sex. There is no one witness who can assert that among the women he knows suffragists are other than a small, generally an infinitesimal, minority.

20. A large number of women have shown themselves actually opposed to the suffrage, as is shown (1) by the activity of the National League for Opposing Woman Suffrage, which has 110 branches and 15,000 paying members; (2) by the anti-suffrage petition containing upwards of 320,000 women's signatures; and (3) by the results of the canvass of women municipal voters, carried out by the above organisation.

21. Enfranchisement of women in a restricted degree would largely exclude those who are the better citizens—wives and mothers—and only give political power to the single women, who are of less value to the State, and less representative of their sex.

22. Under all proposals for a restricted franchise for women, marriage is, except under certain exceptional circumstances, a disqualification; but marriage is not a disqualification for men. True equality, therefore, is not established.

23. Women who enjoy the municipal vote make but little use of their power, showing thereby a want of enthusiasm even in the exercise of the franchise they do possess.

24. Since women have the municipal vote, they are eligible for seats upon most local bodies, which deal with questions particularly affecting the interests of their sex, such as housing, education, care of children, poor law, and the like problems.

25. The possession of personal freedom is of much greater value than the possession of a political right such as the vote.

26. The action of Parliament shows that the interests of women are perfectly safe in the hands of men. Enormous improvements have been made in the status of women during the last thirty years, though women have been without the parliamentary vote.

27. The Married Women's Property Acts, 1870 to 1892, have removed almost every grievance in respect of property of which women could complain.

28. The code of laws regulating employment in factories and workshops, and dealing with industrial economy, shows that Parliament is fully determined to protect women workers.

29. The enfranchisement of women will not raise the moral and social standard of the country, which is created and maintained not by laws but by public opinion.

30. The rate of wages in no way depends upon the parliamentary vote, but upon the law of supply and demand, the power of Trade Unions, and the capacity of the individual worker.

31. The lower rate of wages ruling in respect of female labour is due to woman's comparative physical weakness, physical unfitness for certain kinds of labour, numerical preponderance, and to the possibility which is ever present of her exchanging, at any moment, work for marriage.

32. Agricultural wages between 1850 and 1878 increased by 48 per cent., but agricultural labourers had no votes until 1884; and during the last thirty years, when they had the vote, their wages have increased by only 9 per cent.

33. The average advance in wages in the textile trades between 1886 and 1906 was about 16 per cent. for men and 18 per cent. for women.

34. The United Kingdom being the centre of a vast Empire, with world-wide responsibilities, the admission of women to the franchise therein allows of no comparison with the like concession in other countries, in which the problems of Government are of a more domestic and less complicated character.

35. The four States of the United States of America which alone, till Washington recently joined them, have adopted women's suffrage are amongst the most backward in the Union—one of them being Utah.

36. In another, Colorado, some of the most prominent women suffragists have, after actual experience of its working, become opponents of the suffrage, which has by no means resulted in the acquisition by women of any advantages in respect of social and domestic conditions over those possessed by their sisters in non-suffrage States.

37. The Eight Hours Bill which the miners got by their parliamentary power has proved a fatal gift, and is likely to be their own undoing. Witness the resulting strife, strikes, distress, and disturbance in South Wales, directly due to this unfortunate Act.

38. The votes of the House of Commons in favour of women's suffrage have represented not the opinions, but the fears, weakness, and complaisance of members of Parliament, and their readiness to surrender to agitation, which is the prevailing principle of government, or at any rate of governors, in our own time.

ARGUMENTS FOR AND AGAINST PLURAL VOTING.

FOR.

1. The principle of "one man, one vote" has no place in our system, which is based on the representation of localities.

2. If a man has an interest in two or more localities, he has consequently the right to a vote in each one of such localities.

3. University representation enables eminent men—scholars and scientists—to get into the House of Commons, who are unfit for, and would not succeed in, the rough-and-tumble of an ordinary electoral contest.

4. Abolition of the plural voter is merely a party plank in Liberal policy, because Liberals believe that he is usually a political opponent.

5. The machinery of Liberal Bills dealing with the question was unworkable, and would only have caused endless confusion.

6. In practice it is found that franchise reform must be dealt with as a whole, and not piecemeal.

7. The principle "one man, one vote" does, or should, also involve the complementary principle of "one vote, one value."

8. Equal electoral districts must be established if the latter principle is to be adopted. Consequently no measure to abolish plural voting could produce perfect equality unless it were accompanied by a Redistribution Bill.

9. Constitutional practice also requires that alterations in the franchise should synchronise with redistribution of seats.

10. Landed property necessarily and inevitably gives occupation to folks residing in the locality in which it is situated; it cannot, like capital in money and shares, be transferred elsewhere; it cannot be concealed and cannot evade payment of rates and taxes. It is therefore peculiarly and exceptionally fair that its possession should qualify the owner for a vote.

AGAINST.

1. A citizen should have one vote, and only one vote.

2. That he should have more than one vote is inconsistent with democratic and popular government.

3. The plural vote gives undue power to the owners of landed property.

4. It is illogical since it gives a man with his property scattered over many constituencies more votes than an owner whose land is in one constituency, although the latter may own many more acres.

5. If property is to have special privileges, votes should be allowed in proportion to income.

6. The franchise should be attached to the man as a citizen and not to his house or land.

7. The practice of giving the borough freeholder a vote in a neighbouring county constituency swamps local residential opinion, and prevents public opinion from obtaining acceptance.

8. The true voice of the nation is obscured by persons voting two, three, or more times in different constituencies.

9. The principle of "one man, one vote" having been already adopted in local government elections, plural voting should be abolished in parliamentary elections.

10. Opposition to such abolition on the part of Conservatives and Unionists is mainly based on the fact that the plural vote is of considerable political advantage to them, and secures them seats which they could not hope to hold if the real local opinion of such constituencies was allowed to prevail.

ARGUMENTS FOR AND AGAINST PROPORTIONAL REPRESENTATION.*

FOR.

1. If the House of Commons is to be truly representative of the popular will, it must contain representatives of all sections of opinion in proportion to their strength in the country.

2. This is not secured by the present system, under which a majority of members in the House of Commons does not necessarily represent the majority of the votes cast in the collective constituencies.†

3. Under the present system there are often sweeping changes in the composition of the House of Commons, and its efficiency is lessened by the rejection of experienced members.

4. These undesirable and exaggerated changes would be reduced to smaller proportions by the adoption of the Transferable Vote.

5. The minority, which is to-day entirely unrepresented in a constituency, though it may only poll a few votes less than the majority, would receive fair representation, and its supporters would have more effectual interest in politics.

6. The adoption of this method would give independent candidates an opportunity of entering the House of Commons, and their presence would be a distinct gain to the cause of good government since they would be prepared to support or oppose measures on the merits and not for party reasons.

7. Such adoption would widen the freedom of choice for an elector, whose selection is now usually confined to one of two candidates,

* The Transferable Vote—the proposal of the Proportional Representation Society.

† In 1874 and 1886. See Cd. 5168, par. 89.

8. And would abolish the existing and undesirable power of a small well-organised body in a constituency to control an election.

9. Proportional representation would place it beyond the reach of a candidate to secure a victory by sedulously "nursing" a constituency,

10. And would facilitate redistribution by reducing the number of constituencies.

AGAINST.

1. There is little in the argument that a minority of votes may produce a majority in the House of Commons, since calculations of voting strength must be inaccurate owing to the existence at every election of uncontested seats.

2. A small difference in the number of votes polled may consequently indicate a considerable change of feeling in the country.

3. Since proportional representation would tend to reduce party majorities its adoption would give independent sections too great power, by placing the existence of a Government entirely in their hands, when the difference between the two large parties was small.

4. This would make for instability of government, and encourage undesirable bargaining and intriguing between parties.

5. Excessive majorities are not necessarily an evil since they produce strength and independence. They are better than insufficient majorities which must lead to weak government.

6. By the adoption of proportional representation the pressure of small sections would only be removed from the constituencies to the House of Commons, where their influence would be more effective and more injurious.

7. Parliamentary government as at present practised would be impossible, and there would be either a frequent change of administrations or a separation of Parliament from the executive.

8. Sectional interests are fully represented at present by men who own allegiance to one or other of the large parties.

9. While proportional representation might secure the election of a few men of distinction, who would not or could not accept the general discipline of a party, it would also promote the election of cranks and faddists, whose presence by no means increases the efficiency of Parliament.

10. Confusion would result from a list of ten to twenty names being submitted to the electors for their choice.

11. Greater power would accrue to party managers, since the majority of the electors would vote as they were instructed.

12. By the consequent adoption of larger constituencies the cost of elections for small parties and independent candidates would be so much increased that such parties and candidates would find it more difficult than they do at present to contest seats. The system would introduce undesirable rivalry between men of the same party, since considerable

personal advantage would result from the order in which the party managers indicated their opinion of the eligibility of the candidates.

13. The sense of exclusive responsibility for the affairs of his constituency on the part of the member would be removed, and constituents would not have, as they now have, a feeling of personal possession in their member.

14. The elector would lose his personal interest in the contest if it extended over a wide area and concerned candidates of whom he had no personal knowledge; his interest in politics in general would also diminish.

BIBLIOGRAPHY.

ADULT SUFFRAGE.

Information respecting the subjects treated in this chapter is for the most part to be found in the publications of various leagues and associations. Adult suffrage is advocated by the Adult Suffrage Society (122, Gower-street, W.C.), from which information may be obtained.

WOMEN'S SUFFRAGE.

The number of women's suffrage associations is legion. Some are only organisations representing a special section of women suffragists: others are of a more general character. Of these the longest established is the National Union of Women's Suffrage Societies (Parliament Chambers, Great Smith Street, Westminster, S.W.). It uses moderate methods. The militant organisations are the National Women's Social and Political Union (4, Clement's Inn, W.C.) and the Women's Freedom League (1, Robert Street, Adelphi, W.C.). Literature on the question can be obtained from all these bodies. They publish also weekly papers—the N.U.W.S.S. *The Common Cause*, the W.S.P.U. *Votes for Women*, and the Women's Freedom League *The Vote*. Of more lasting contributions in favour of the suffrage mention may be made of Laurence Housman's "Articles of Faith in the Freedom of Women" and Miss Sylvia Pankhurst's history of the movement, "The Suffragette." A pamphlet in defence of the Conciliation Bill is published by H. N. Brailsford (The Garden City Press, Ltd., Letchworth). Reference should also be made to the debates on the question in the House of Commons, the latest being on May 5, 1911. The publications of the Conservative and Unionist Women's Franchise Association (48, Dover Street, W.) should be consulted by those who want a Conservative view of the question. Literature generally can be obtained from The Women's Press, the literature department of the Women's Social and Political Union (156, Charing Cross Road, W.C.). Opposition to the grant of the vote to women comes from the National League for Opposing Women Suffrage (Caxton

House, Westminster, S.W.). It publishes a monthly periodical, the *Anti-Suffrage Review*, and numerous leaflets and pamphlets. Among the more detailed publications against woman suffrage are "The Woman M.P." by A. C. Grouno, and "Letters to a Friend on Votes for Women" by Prof. A. V. Dicey.

PLURAL VOTING.

Information respecting plural voting is best obtained from the debates in the House of Commons and House of Lords on the Plural Voting Bill, 1906. The Liberal Publication Department (42, Parliament Street, S.W.) and the publication department of the Unionist Party (St. Stephen's Chambers, Westminster, S.W.) also supply material.

ELECTORAL REFORM.

The Second Ballot, the Alternative Vote, and other schemes which have been suggested for the reform of our system of representation, are examined in detail in the Report of the Electoral Reform Commission (Cd. 5163). The Report also explains and examines the arguments for and against the various schemes of proportional representation. The system of the Single Transferable Vote is that advocated by the Proportional Representation Society (179, St. Stephen's House, Westminster, S.W.). Literature on the subject may be obtained upon application to the Secretary. The Honorary Secretary, Mr. J. H. Humphreys, has written the authoritative explanation of the system—"Proportional Representation: a Study in Methods of Election"—which should be consulted.

CHAPTER IX

THE IRISH HOME RULE QUESTION

THE inconvenience attaching to the use of party labels is conspicuously illustrated in dealing with the Home Rule question. Ask what is meant by the term "Home Rule," and the definitions will vary from "a subordinate legislature in Dublin as part of a general scheme of devolution" to "an independent Irish Parliament such as our self-governing Dominions enjoy." Ask again why Home Rule is necessary, and the reasons given will range from "the necessity of relieving the congestion of business in the Imperial Parliament" to "the just recognition of Ireland's right to be a nation."

THE LIBERAL ARGUMENT FOR BRITISH ELECTORS.

The Liberal Party hold out to the British elector as the greatest inducement to agree to Home Rule that it will mean removing discontented Irishmen from the Imperial Parliament and allowing it to conduct its own business after its own fashion, without the disturbance which the presence of a solid vote of eighty Irish Nationalists occasions. Home Rule would, in fact, make the British people masters in their own Parliament, and make it impossible for a British Government to be subject, as it now is, to the dictation of an Irish party.

HALF-MEASURE USELESS FOR THIS PURPOSE.

Agreeing that this is a most desirable end, the question is: How can it be attained? Clearly enough if it is to be brought about by the grant of Home Rule, such Home Rule must be of a character that will once and for all satisfy the Irish Nationalist demand. A half-measure which failed in this behalf would

be useless, for although it might reduce, or even abolish, Irish Nationalist representation at Westminster, the Irish Nationalist party possessed of the power and authority of a Parliament at Dublin could exercise an undesirable and dangerous influence over British and Imperial affairs during a period of national crisis.* Since, then, the form of Home Rule granted must be acceptable to Irish Nationalists if the question is to be settled—and if it is not settled the only argument in favour of Home Rule which appeals to the British people disappears—an attempt must be made to discover the kind of Home Rule which would once and for all time satisfy the Nationalist demand. When the investigation is complete, and a solution has been reached, there arises for British electors the duty of answering the not less difficult question, Is it a solution which is compatible with Imperial interests? Even peace between the two islands, which is so eminently desirable, may be purchased at too high a price.

WHAT IS MEANT BY HOME RULE?

Liberals, then, may prepare and propose Home Rule Bills, but it is the Irish Nationalist Party which has to be satisfied. What would they regard as a full, final, and satisfactory settlement of the question? It is impossible to give a straight, simple, and unqualified answer. Prolific though the Nationalists are of projects of legislation, they have never cast into legislative shape a Home Rule scheme that would satisfy their own demands. This unusual reluctance is significant of difficulty which others experience in still greater degree, and the only way of solution is to proceed by elimination. The Irish Council

* The action of the Home Rule Parliament if Great Britain were involved in war would be of serious import. So far Irish Home Rulers have always opposed Great Britain and her allies. The Mahdi, the Boers, the Indian and Egyptian Nationalists have all at one time or another received the patronage and assistance of the Irish Nationalist Party. If they were in a majority in the Home Rule Parliament their action might cause considerable harm. They could refuse supplies, pass resolutions in support of the cause of Britain's enemies, and even offer co-operation and assistance. Having regard to their past conduct it is difficult to believe that they would act differently in future.

Bill was rejected, and Lord Dunraven's scheme of Devolution was not accepted. What, then, of the two Home Bills? Mr. Redmond has quoted Parnell's description of the former as "an instalment of our rights,"* and of the latter he has himself said, "No man in his senses would regard it as a full, a final, or a satisfactory settlement of the Irish Nationalist question."† The word "provisional," he added, had been stamped in red ink across every page. It might be urged that Mr. Redmond's views had recently undergone a change, and that he and his party are now prepared to accept what they previously rejected; but he denies that Irish Nationalist opinion has undergone any change.‡ The chief argument in favour of the two former Home Rule Bills disappears, for on Mr. Redmond's own showing they will result in no settlement. The Gladstonian plan does not go far enough, and there is need of a greater surrender. But from a greater surrender the Coalition Ministry may perhaps shrink.

THE DOCTRINE OF NATIONALITY.

The reason the Gladstonian plan failed to be regarded as a settlement is not far to seek. It lies in the fact that the Irish Nationalist demand is based upon nationality. "Ireland a nation once again" is the hope of the future, and all Liberal plans fail as a full settlement, because they set up in Dublin a legislature which is subordinate to, and the creation

* "I remember when Parnell was asked whether he would, on behalf of the United Nationalist nation that he represented, accept as a final settlement the Home Rule compromise proposed by Gladstone. I remember his answer. He said, 'I believe in the policy of taking from England anything we can wring from her which will strengthen our arms to go on for more. I will accept the Home Rule compromise of Gladstone as an instalment of our rights, but I refuse to say that it is a final settlement of the national question, and I declare that no man shall set a boundary on the onward march of the nation.' That is our motto" (Mr. John Redmond, M.P., at Newry, June 16, 1897).

† House of Commons, August 30, 1893.

‡ "I stand on the question of Home Rule precisely where Parnell stood. I have not receded, and never will recede an inch, from the position he took up" (interview in Chicago, *Cork Examiner*, October 19, 1910).

of, the Imperial Parliament at Westminster. This is only a step towards the recognition of Irish "nationality." Full recognition would be accompanied by a definite act of renunciation on the part of the Imperial Parliament of any right of control over, or interference with, internal and external Irish affairs.

A QUALIFIED ACCEPTANCE.

Since no Irish Nationalist supposes that Great Britain would consent to so complete a surrender a smaller concession is suggested. The proposed Home Rule Parliament would at any rate be a recognition of the principle, though in a restricted form, and it would afford the Irish Nationalists a firm base for future operations. Although Irish Nationalists under Liberal influence are other than frank and open in their speeches before British audiences, even posing as Imperialists,* they have to be, and are, refreshingly outspoken in the United States. The feeling of hatred against Great Britain is strong among Irish-Americans, who are somewhat contemptuous of the "constitutional movement," the efficacy of which they doubt. Hence Irish Nationalists on tour in the United States boast of what they have made the Imperial Parliament do for Ireland, and complain in Great Britain that Ireland cannot obtain the reforms so necessary for her prosperity until Home Rule is granted.† Proofs of the work they have accomplished are very necessary in the United States, for without the financial assistance of the Irish-Americans the party would be bankrupt.‡

* "Whose Empire is this? Yours? No; it is ours as well as yours. . . . We, as Irishmen, are not prepared to surrender our share in the heritage which our fathers created" (Mr. John Redmond, M.P., at Woodford, May 27, 1911).

† Cf. Mr. John Redmond's speech at Detroit (*Irish World*, November 5, 1910), putting before his audience "in plain, business-like language what the last ten years has accomplished for Ireland," with the terms of the Home Rule resolution in the House of Commons on March 30, 1908, that the present system of Irish Government "is incapable of satisfactorily promoting the material and intellectual progress of the people."

‡ "The Irish National Party would have been bankrupt in this election were it not for the success of his [Mr. T. P. O'Connor's] mission" (Mr. John Redmond, M.P., in Dublin, February 10, 1910.)

But such aid is not given to make Ireland a loyal constituent of the British Empire, but a "nation," for, although the way be long, that is the ultimate goal. Members of the Irish Nationalist Party have time and again explained their tactics, and assured their Irish-American audiences that the final object to be attained is "separation."*

It is well understood by Irish-Americans that references to the glories of the British Empire, apparent acceptance of a restricted Home Rule Bill, promises of future loyalty and contentment, are part of the game of deluding the "Saxon swine," as the Irish Nationalist song has it, into granting Home Rule.

If Irish-Americans thought otherwise there would be no subscriptions, and the present leaders of the Nationalist Party would be swept away, to be replaced by men who would act up to the old ideal of Separation.

The calculating British mind rejects Separation as impracticable, and assumes that Irish Nationalists will never be so foolish as to reject the material advantages of the connection with Great Britain for the sake of the ideal of Irish nationality. So far as many of the rank and file are concerned there may be ground for this feeling, for Home Rule never gained popular strength until it was linked with agrarian agitation. The land question having been settled in more than one-half of Ireland, and being in a fair way toward settlement over the rest of the country, one great argument for Home Rule has disappeared.†

* "When equipped with comparative freedom then would be the time for those who think we should destroy the last link that binds us to England to operate by whatever means they think best to achieve that great and desirable end. I am quite sure I speak for the United Irish League on this matter" (Mr. Joe Devlin, M.P., New York, June, 1902).

"The message we bear is from the illustrious leader of our party, John Redmond. If there is any man who says to us as representing that parliamentary movement, 'I don't believe in your parliamentary ideas, I don't accept Home Rule, I go beyond it. I believe in an independent nation,' if any man says this, I say that we don't disbelieve in it. These are our tactics; and if you are to take a fortress first take the outer works" (Prof. Kettle, New York, November, 1906).

† Other remedial legislation and administration is removing many legitimate grievances, and lessening the force of former arguments for Home Rule.

But although it may be assumed that the desire for Home Rule is weakened as a result, the question has not been put to the proof, and the Irish Nationalist leaders do not admit that any change has occurred in the opinions of their followers. Material improvement they agree has been made in Irish conditions ; but they deny that any lasting settlement can be effected until Home Rule has been granted.* They declare the spirit of nationality to be so strong that Irishmen would abandon all the material advantages which the present connection with Great Britain brings for a measure of national independence.†

These may be platform heroics, but they are the declarations of the accepted leader of the Irish Home Rule Party. Their accuracy may be doubted ; but so long as Mr. Redmond is regarded as the spokesman of Irish Home Rule they must be accepted. Since he advances the doctrine of nationality as the real argument for Home Rule,‡ the ultimate aim must be separation and independence ; nothing less can satisfy the ideal, "Ireland a nation once again."

* "Without freedom, all these great concessions are practically valueless, or, at any rate, such value as they possess is to be found in the fact that they strengthen the arm of the Irish people, and push on to the great goal of national independence" (Mr. John Redmond, M.P., at the Buffalo Convention, *Freeman's Journal*, October 13, 1910).

† "But the soul of this Irish movement has been the spirit of nationality. Ireland would prefer rags and poverty rather than to surrender her national spirit" (Mr. John Redmond, M.P., at Buffalo, *Freeman's Journal*, October 13, 1910).

‡ All other arguments for Home Rule are subordinate to the argument of nationality. This was recognised by Sir Henry Campbell-Bannerman, who said, "Good government could never be a substitute for government by the people themselves" (Stirling, November 23, 1905). His words are constantly quoted with approval by Irish Nationalists. Liberals assume that this policy applies only to domestic affairs, such as education, land, &c. ; but no country possesses real self-government unless it is at liberty to conduct its own foreign policy, make its own treaties, provide its own means of defence, and control its own customs. Not to grant these powers is to deny nationality. A claim for self-government based upon nationality cannot be satisfied with less than independence in all matters, internal and external.

FALSE ANALOGIES.

All schemes of Home Rule which involve the maintenance of connection with, or control, by Great Britain consequently fail to satisfy the Nationalist demand. To describe Home Rule as an extension to Ireland of our system of Colonial self-government is entirely without justification. No British dominion ever received self-government on the ground that it had the right to be regarded as a separate nation. The grant in such cases was dictated by geographical reasons, distance from Westminster making representation in Parliament from the Colonies an impossibility. But this condition does not apply to Ireland. To advocate Irish, from the analogy of Imperial, Home Rule is no more than a specious attempt to gain support for an unpopular policy by ascribing to it attributes, which it does not possess.

It is in the same way altogether absurd to compare Irish Home Rule with the federation of our self-governing dominions. The legislatures of these federal systems have no national attributes, but are subordinate to the central Parliament, and subject to its control. The object of their establishment is good government and not self-government.*

Irish Home Rule cannot be compared with the federal systems of the British Empire, since the latter imply no recognition of the principle of nationality. But it is perfectly possible to have a federal system consisting of a number of nationalities, who mutually agree among themselves to establish a central Parliament for the whole group, with local legislatures for the different constituent parts. In this case

* Mr. T. P. O'Connor, M.P., is the only prominent Nationalist who has identified the Nationalist demand with provincial Home Rule. In Canada he expressed approval "of a federal scheme of government for the British Isles, such as the Provinces of Canada enjoy under a central Government" (Ottawa, October 4, 1910). A year before he was talking advanced Nationalism in the United States, and his sudden conversion is unexplained. That his speeches cannot be regarded as authoritative may be gathered from the fact that no Nationalist leader has ever thought it necessary to support or repudiate them, and the mere report that Mr. Redmond was expressing the same views led to specific denials from his colleagues and himself.

the negotiations are conducted by the various nationalities on terms of equality, and no one surrenders its own individuality but merely agrees for good and sufficient reasons to merge its separate existence into a joint system. By an express provision in the Constitution or by the demand of its own nationals it could resume its existence as a separate and independent nation.

SEPARATION MUST BE FACED.

The very fact that Irish Home Rulers insist upon the recognition of Irish nationality shows that they have this situation in their minds. They must negotiate with the Imperial Parliament upon terms of equality, though conditions may exist at any particular juncture, which make it unwise for them to insist at once upon a complete recognition of their rights. They may accept a Liberal Home Rule Bill as an instalment of their claim, but they would expressly or mentally reserve to themselves the right to dissolve the partnership whenever renunciation appeared to be advantageous to their cause. Consequently no Home Rule Bill on Gladstonian lines could be regarded as a final settlement of the question, unless it were accompanied by a solemn renunciation of nationality on the part of the Irish Home Rulers.*

Without such renunciation the right to claim nationality could be exercised at any time, and the Home Rule question would on such occasions be reopened in a critical form. The danger is not imaginary. On the contrary, the Irish Home Rulers have openly declared that they intend at some future date to claim independence.†

Since, however, the only argument for Home Rule which

* Mr. Redmond, it is true, would give the Imperial Parliament an "over-riding authority." But this is not, as might be supposed, a renunciation of nationality, for the Irish Nationalists would still be represented at Westminster. Besides, Mr. Redmond in 1892 required in the Home Rule Bill "a clause specifically undertaking that while the Irish Parliament continued in existence the powers of the Imperial Parliament to legislate for Ireland should never be used" (House of Commons, August 8, 1892).

† See footnote, p. 263.

can appeal to Great Britain is that a settlement is desirable, and since a final settlement cannot be obtained with less than the grant of independence, Great Britain has to face the question of acceding to separation, if not immediately, at any rate in the future, as a logical development of the grant of Home Rule. But separation is declared even by Home Rulers, whether or not upon a deliberate judgment on the issues, to be "unthinkable";* and, indeed, no one can deny that an independent Ireland would most prejudicially affect our standing in world-politics, and enormously increase the burden of our defensive armaments. So little should we be in a position to allow separation, that we should be compelled, for the sake of our national existence, to regain control of Ireland by force of arms. In short, the belief of Unionists in Great Britain in respect of Home Rule is, that the grant of even a moderate measure of self-government would only be a first step towards a demand for separation, to which they not only could not accede, but which they must resist, if necessary by force.

UNIONIST POLICY NOT NEGATIVE.

This attitude does not preclude the recognition by Unionists of Irish grievances, and the adoption of the measures necessary for their removal, and the passing of such measures implies no admission of the justice of the demand for Home Rule, but only the recognition of the position of Ireland as a partner in the great British firm. If the right of Ireland to govern herself were recognised, Unionists might let her work out her own salvation. As, however, they regard the sister island only as an integral part of the United Kingdom, they are willing to take steps to improve her economic condition, just as they would in such circumstances that of England, Wales, and Scotland. Although Unionism offers an unpromising negative to any recognition of the justice of the demand for Home Rule, Unionist policy has produced an improvement in Irish conditions, to participation in which Nationalism and Liberalism have no claim. The reason is no

* Mr. Lloyd George, M.P., at Belfast, February 8, 1907.

far to seek. It is the declared policy of the Nationalists that Home Rule alone can bring prosperity to Ireland; while Liberalism has placed Home Rule in the forefront of its Irish policy, and necessarily devotes all the attention it can give to Irish affairs to effecting this constitutional change. Unionism being without this all-absorbing preoccupation is free to devote its energies to economic legislation and administration. It is therefore by no means matter for astonishment that such amelioration as has been effected in Irish economic and administrative conditions is due to Unionist action.

LAND REFORM AND DEVELOPMENT.

This is conspicuously the case with the settlement of the question of questions, that of the land. The Liberal Acts were failures so far as a settlement was concerned. Attempting as a main principle to alter the relations between landlord and tenant, while preserving the existing system, they have been productive chiefly of litigation and bad husbandry. As they put forward land purchase only as a subsidiary policy, their proposals were naturally attended by little success. On the other hand, the Unionist Party, realising that the discontent would only be ended by an entire change of proprietorship, boldly adopted this policy,* with the result that the old quarrel between landlord and tenant is practically dead.†

Concurrently with the development of land purchase the Unionists have carried out a programme of economic development. In some parts of the country the latter policy has been enforced by wholly State agency, but the activities of private individuals, never wholly absent, have in recent years assumed greater prominence. The doctrine of "self-help" which teaches Irishmen to work out their own economic

* The Ashbourne Acts, 1885 and 1888, the Land Act of 1896, and the Wyndham Act of 1903, were all Unionist measures devoted to land purchase.

† Where agrarian disorder now exists it is not generally a dispute between the large landowner and his tenants, but between the farmer and men who want his land. The farmers, no doubt, are often owners, but of a different class from those against whom the agrarian agitation was originally directed.

salvation is being learned by degrees, to the disgust of the Home Rulers, who would make everything dependent upon the adoption of their own panacea.

The earliest incident in the programme of economic development was the establishment of the Congested Districts Board in 1891, which was followed by the creation, in 1899, of the Department of Agriculture, and both Board and Department have triumphantly emerged from official inquiries into their administrative record.*

The Irish congested district presented a picture of hopeless poverty, agricultural ignorance, and individual apathy, before which any administrator might despair. At the beginning it was necessary to exercise a paternal supervision over those whose condition the Board sought to improve. "Spoon-feeding" was essential; and although that phase has not entirely passed away, the Board has now been able to divert its energies towards the establishment of a gigantic scheme of land settlement in the West of Ireland.† Later came the Department of Agriculture, designed to teach Irishmen the principles of that industry,‡ which has succeeded in effecting a revolution in many rural districts, and in making the new land-owners appreciate the responsibilities of their novel position.

Outside the direct action of the State other organisations have been established to teach Irishmen the doctrine of "self-help," the best known of which is the Irish Agricultural Organisation Society, possessed, with its kindred associations, of over 91,000 members and boasting an annual turnover of nearly £2,400,000.§ This society teaches the value of

* The Dudley Commission was appointed in 1906 to report upon the operations of the Congested Districts Board, and its relations with the Department of Agriculture, &c. Its final report was issued in 1908 (Cd. 4097). A Departmental Committee inquired into the working of the Department of Agriculture, and reported in 1907 (Cd. 3572).

† By the Land Act, 1909. See also Report of Dudley Commission (Cd. 4097).

‡ The Department was established as the result of a conference of all parties known as the "Recess" Committee, which met in the parliamentary "Recess" of 1895.

§ Annual Report, 1910. Appendix Q. xi.

co-operation among farmers and agriculturists. A later movement, more particularly affecting Irish manufacturers, is that of the Industrial Development Associations, which have been established in order to interest the Irish people, by means of exhibitions and other methods of advertisement, in articles of Irish manufacture, and to persuade them to buy Irish, in preference to foreign-made, goods. So successful have these movements been, that they have gained the support of all parties, irrespective of politics. They are chiefly remarkable, however, as practical and unequivocal evidence of a repudiation of the Nationalist theory that Home Rule comes first, and that there can be no real progress in Ireland until it is secured.

NATIONALIST ATTITUDE TOWARDS "SELF-HELP."

So far as the Irish Parliamentary Party is concerned the new spirit of self-reliance, developed by Unionist administration, has had an unfortunate effect upon its condition. Living as it does upon agitation, and flourishing only when Ireland is discontented, its influence has sensibly diminished with the increase of prosperity and contentment, and the Irish farmer, now the owner of his land, ceases to contribute towards agitation. He has gained his heart's desire; he is satisfied; and appeals for financial aid to keep the Irish Nationalists at Westminster fall on deaf ears. Rather does growing appreciation of the root facts of industrial economics make him doubt whether Home Rule is after all going to be a good thing for his country. It would be an exaggeration to say that he is openly hostile, but he is apathetic; and his novel attitude shows itself in his refusal to support the Nationalist Party, as he did in the past.

THE DANGER OF EXTREMER MEASURES.

The result has been to force the Irish Nationalists into a position of financial dependence upon the Irish-Americans in the United States, and this is in a sense a possible source of danger to the United Kingdom, to which the Irish-Americans have always shown hostility. The constitutional move-

ment for Home Rule has never satisfied them, and at the most they have only agreed to give it a trial, reserving to themselves perfect freedom to advocate and support a more forcible and strenuous policy, whenever conditions arose which made such action possible. Now that the very existence of the Irish Nationalist Party depends upon their pecuniary aid, is it at all improbable that they will seek to influence or even direct its policy? A revival of the policy of violence and outrage and the promotion of discontent in Ireland are the obvious lines they would follow, but whether the now more enlightened Irish people would tolerate another "plan of campaign," with its notorious methods, can only be a matter for speculation. Nothing more contrary to the real interests of Ireland could occur than a renewal of the devastating agitation of the "eighties." It is said by Liberal Home Rulers that the Ireland of our time is a very different country from the Ireland of those days, and that is so in a large measure, though it would be ignoring facts not to recognise that there is in existence to-day in Ireland a considerable body* of "extremist" opinion, which would only delight to find that the constitutional movement had been abandoned in favour of the old methods of outrage and violence. Meanwhile the Irish Nationalist Party deal gently with the extremists. They never rebuke them†; and indeed sometimes they receive from them a reluctant meed of perfunctory approval.

It must not be imagined that the restricted and limited

* The Ancient Order of Hibernians, Sinn Fein, and a multitude of smaller societies are frankly supporters of separation. They are all, some more openly than others, disloyal and hostile to everything British. The existence of this body of opinion is brought to public notice by the acts of hostility which it instigates against persons suspected of loyalty, and the protests it inspires against movements, which are in any way open to what it regards as the like objection. Proposals for presenting addresses to the King, or for decorating the streets, have been the object of strenuous opposition. These "extremist" bodies hold the Irish Parliamentary Party in hearty contempt for, what they hold to be, their Laodicean attitude.

† "If there are men who are more extreme than we are, my prayer for them is success to all their ideals and all their hopes" (Mr. John Redmond, M.P., in Dublin, September 1, 1908).

Home Rule which would presumably be established by the Liberals would allay the "extremist" movement, which, on the contrary, it would be more likely to encourage. Indeed, the resulting relationship between the Irish legislature and Imperial Parliament would be of such a kind as naturally to promote ill-feeling. If the splendid promises of the Home Rulers remained unfulfilled and the prosperity of Ireland failed, as it would, to reach the anticipated eminence, what more obvious excuse would the Irish Nationalist have than a reference to the still existing connection with Great Britain as the cause of all the trouble, trial, and disappointment?

Even the best of Constitutions under the most favourable circumstances fails to give universal satisfaction. But the most that can be said of the Liberal Home Rule Constitution from an Irish Nationalist's point of view is, that it amounts to an imperfect and unsatisfactory step on the path to independence, while in the eyes of the Irish Unionists it is a galling proof of the triumph of their foes, and of their own abandonment to oppression and injustice.

THE UNIONIST MINORITY.

It is the existence of the Irish Unionist minority which chiefly complicates the question. If there were a united and universal demand for Home Rule from the whole of Ireland Great Britain would be in a very different position from that which she now occupies in this behalf. But the Unionist minority is in numbers, wealth, public position, and commercial and economic enterprise too imposing to be wholly ignored. Representing, as the Unionists do, the most progressive section of the inhabitants of the island, their existence is a living contradiction of the Nationalist assertion that Ireland cannot be commercially and industrially prosperous until she gains Home Rule. It is only reasonable to suppose that what Unionists have done in Ulster under the Union can be accomplished elsewhere in Ireland under the same system of government.

The Irish Unionists, knowing their portion of Ireland to be beyond all measure the most prosperous, are, of course, aware

that they would be called upon to contribute the largest share of the revenue of Home Rule Ireland,* but they also know that political conditions in that body politic would never allow them to have a controlling voice in the disposal of such revenue. There would be no periodical changes of Government such as have hitherto at any rate occurred in Great Britain, for they would be condemned under Home Rule to be a perpetual and powerless minority.

THE RELIGIOUS ASPECT.

Such conditions, unfortunate in any country, would in Ireland be doubly disastrous, for not only do the majority differ from the Unionists in politics; but there is also a violent incompatibility in respect of religion. Great Britain being an overwhelmingly Protestant country, no one therein really fears, or need fear, Roman Catholic domination. In Ireland, however, the effect of Home Rule would be the establishment of a Parliament in which Roman Catholics would be an immense majority. If such an event were possible in Great Britain all Protestants, and above all Nonconformist Liberal Home Rulers, would move heaven and earth in loud and incessant protest. Is it therefore surprising that the religious question looms large in Irish Unionist opposition to Home Rule? It is very easy to describe this feeling as bigotry; but the Protestant in Great Britain may fairly feel his withers are unwrung. It is not that individual Roman Catholics are feared or distrusted, but that a natural apprehension exists as to the influence the Roman Catholic Church would exercise in the administration, and over the legislation of a Parliament wherein the majority of representatives belong to her communion. Without arguing the question from the experience of Protestants in Roman Catholic countries, or travelling beyond the limits of the Irish problem, the Protestant in Ireland believes that a Nationalist and Roman Catholic majority would be intolerant and would deprive him of, or would at least curtail and impair, his civil

* Of the Irish contribution to the Customs revenue, for example, Belfast provided £3,206,535 in 1910, out of a total Customs revenue of £3,271,351.

and religious liberty. Irish Nationalists may talk of toleration to English audiences, and may even agree to the insertion in a Home Rule Bill of such safeguards as the Irish Protestant may demand, but these professions leave the latter still entrenched in his attitude of opposition and distrust, for to put the matter bluntly, he does not believe in their sincerity, but regards them as tactical moves designed to influence British opinion. He is convinced that a Nationalist majority would never scrupulously respect the rights and liberties of a minority.

THE FEAR OF INTOLERANCE.

What grounds has he for this belief? While historical examples of intolerance seem to the British people merely characteristic of a past which can never repeat itself, they are not without effect upon the attitude of Irish Protestants towards Irish Roman Catholics. Sentiment and tradition play a large part in Irish political life, and often explain situations which otherwise seem incomprehensible.

Apart, however, from historical evidence, in recent times events have occurred which fully justify the fears of Irish Protestants. It may be that such are not directly traceable to the influence or action of the Roman Catholic Church, but to Irish Protestants "Roman Catholic" and "Nationalist" are synonymous terms, and they cannot discover where political influences end and religious influences begin.

While Mr. Redmond now promises them toleration under Home Rule, Irish Unionists lay greater stress upon their actual experiences under local government. Before the passing of the Act of 1898 Mr. Redmond was, as now, talking expansively of toleration.* But the majority of Irish Nationalists were not of this opinion, and through the United Irish League they claimed to control the local government

* We desire toleration in the public life of Ireland. We think that to adopt the policy of excluding from these public bodies every man who differed from us politically or religiously would be an absolutely suicidal policy for Irish Nationalists to adopt" (Mr. John Redmond, M.P., at Dublin, *Irish Independent*, September 14, 1898).

of the country, with the result that outside Ulster the Unionist county councillor is almost non-existent.* Can Irish Unionists be blamed for thinking they would be "as the simple that believeth every word" if they doubted that the same policy of proscription would be applied in respect of representation in the Home Rule Parliament?

It must too be recognised that the Nationalist majority has ever shown itself intolerant of a minority, even of their own party, and in respect of merely temporary differences of opinion. They intimidated, boycotted and persecuted the Parnellite minority in the past, and to-day their hostility towards the O'Brienites is of the bitterest and most violent character. In their agrarian disputes the majority make the life of the minority a long torment even now, when there is no longer a struggle with big landlords, but with farmers, who are of the same class and often of the same religious and political creed as themselves. All those cases of boycotting, intimidation, and violence which are reported in the Irish Press sink deep into the minds of the Irish Unionists, who believe that the coercive policy of their opponents will be turned against them in full strength when the protecting arm of the Imperial authority is removed.

THE QUESTION OF SAFEGUARDS.

Irish Unionists put no faith in the guarantees and safeguards of a Home Rule Bill, knowing that the Nationalist majority would easily override any inconvenient provisions of the law. They have little confidence in the power of the Imperial Parliament to enforce its laws, and none in the will or power of a Home Rule Parliament to oppose the wishes of the majority for the sake of a Unionist minority.

Incidents have not been wanting of quite recent date well calculated to keep alive their fears. Without dwelling upon a notorious case which occurred last year in Belfast, the growth of the Ancient Order of Hibernians, a strictly Roman

* These are 2 in Munster, 12 in Leinster, and 1 in Connaught. The numbers of Nationalist county councillors are 225 in Munster, 317 in Leinster, and 142 in Connaught.

Catholic organisation,* believed to largely control the policy of the Nationalist Party, has not conduced to the growth of a conciliatory attitude between Unionists and Nationalists, while the acknowledged leaders of the Roman Catholic Church often put forward claims and express intentions which have the effect of confirming Unionist hostility to Home Rule. What, for instance, is less likely to inspire belief in the good faith of the majority than the remark of Cardinal Logue, the head of the Irish Roman Catholic Church, at Dundalk, to the effect that "no matter what obstacles the Nonconformists of England may have inserted in the constitution of the (National) University to keep it from being made Catholic, we will make it Catholic in spite of them"? † Irish Unionists may be excused if they foresee the adoption of a similar attitude after the establishment of Home Rule in respect of any provision of the law relating to religious establishments or endowments, or prohibiting interference with the free exercise of religious freedom, or dealing with any safeguards providing for the protection of the minority.

HOME RULE INOPPORTUNE.

It is impossible for the Liberal Home Rulers to ignore this minority, which is convinced that its civil and religious liberties are in danger, and is determined to fight to a finish not only for its own sake, but also for that for Ireland. Progress and prosperity are now apparent throughout the country, and the condition of even the poorest districts has improved, though much remains to be done. Home Rule would check this progress, and fatally impair this growing prosperity, to further advance which sufficient money would

* The Ancient Order of Hibernians is also a Separatist body. Its official organ, *The Hibernian Journal* (March, 1908), describes the "national ideal" of the Order as "a free and independent Ireland, subject to no outside control or influence." The fact that the Secretary of the United Irish League is President of the Order tends to increase Irish Unionist fears that the relationship of the latter to the official Nationalist organisation—the United Irish League—is of a most intimate character. This body profits to the extent of £16,000 a year by Mr. George's Insurance Act.

† *Dundalk Democrat*, June 10, 1911.

no more be expected from the meagre revenues of a Dublin Parliament, than just and impartial legislation and administration. The transition epoch, in which Irish thought is turning from the old policy of constitutional change to the new policy of economic progress, seems of all to be the least opportune for the establishment of Home Rule upon the old lines, the demand for which, far from being universally supported by the Irish people, is strenuously opposed by a large minority, and regarded with apathy and indifference by masses, to whom the doctrine of "self-help" has at length made a successful appeal.

ARGUMENTS FOR AND AGAINST HOME RULE.

FOR.

1. Ireland possesses a distinct nationality and consequently has an indefeasible right to govern herself.
2. But she does not now, nor for the immediate future, demand separation from Great Britain.
3. She only seeks the legislative and executive control of all purely Irish affairs.
4. She wants a Constitution after the manner of the self-government of British Dominions.
5. She would leave to the Imperial Parliament, wherein she would be represented, complete control of Imperial questions.
6. A grant of self-government of this character would make Ireland contented and the Irish loyal citizens of the British Empire.
7. The happy results of granting self-government to Canada and the Transvaal would be reproduced in Ireland.
8. But the Irish people will never be loyal or cease from agitation until the present Act of Union is replaced by self-government.
9. That Act was never accepted by the Irish people, and was only passed by methods of corruption.
10. It established a system of government which does not enjoy the confidence of any section of the population.
11. It deprived Ireland of control over the management of her own affairs.
12. The present system is inefficient and extravagant; the cost of Irish administration being, per head of population, far in excess of that of Scotland, England, and other countries, which may in this behalf properly be compared with Ireland,

13. Its huge cost is a heavy drain on a poor country like Ireland, and is an obstacle to progress and prosperity.

14. Such cost can never be reduced until the Irish people are given control over their own expenditure.

15. The present system of Irish government is productive of universal discontent and unrest, manifested at times and in fashions most inconvenient to Great Britain, so as to make Ireland a source of weakness rather than of strength to the Empire.

16. It is, moreover, incapable of satisfactorily promoting the material and intellectual progress of the people.

17. The Irish educational system, though a scandal and a reproach, cannot be properly reformed until Ireland has Home Rule.

18. Poverty in many parts of Ireland is of a hopeless character which cannot be relieved until Home Rule leaves the Irish people free to develop their own resources.

19. Indeed, so hopeless is the outlook, that the young men and women—the real strength of the nation—emigrate in thousands every year to other countries.

20. This drain of population has gone on unceasingly since the economic results of the Act of Union began to be felt, and it cannot be stopped until Home Rule restores confidence in Ireland's future.

21. Under the Union Irish industries have decayed, and they cannot be revived until that policy is reversed.

22. The demand for Home Rule is the national demand of the Irish people, who have made great sacrifices in order to return a solid party to vote for it at Westminster.

23. Home Rule is opposed only by a small minority, and for selfish personal reasons.

24. Their opposition ought not to be allowed to stand in the way of the just demand of the Irish people.

25. They exaggerate their own importance since they do not even represent a majority in Ulster—the only part of the country wherein they are a power.

26. The Unionist minority have nothing to fear from their Nationalist opponents.

27. As in local government, so in the Irish Parliament, they will receive fair and just treatment.

28. Their liberties will be respected and their views held in toleration but they must frankly enter into the national life of the country.

29. To allay their fears the majority will agree to all reasonable safeguards being provided in the Home Rule Bill, although such precautions are unnecessary.

30. Moreover, the Imperial Parliament, which will possess an overriding authority, will be able to interfere should any isolated cases of injustice occur.

31. Since Ireland is impoverished owing to the action of Imperial Parliament, she must in financial matters be treated by Great Britain with generosity..

32. Irish expenditure being based on English standards, time must be allowed to the Irish Parliament in which to effect economies, and Great Britain must meanwhile be prepared to give financial assistance.

33. It would be mean not to give Ireland a fair financial chance, and to grant Home Rule upon terms which could only lead to national bankruptcy could never promote a fair and final settlement.

34. The Childers Commission found that Ireland in 1894 was annually over-taxed to the extent of £2,225,000, and since that date over-taxation has increased.

35. In strict justice a sum of over £400,000,000 is due from Great Britain to Ireland. This fact must be borne in mind when the financial conditions of Home Rule are specified, and should induce Great Britain to atone for past exactions by present generosity.

AGAINST.

1. Ireland has never been a nation and her claim to nationality cannot be recognised.

2. Since, however, it is maintained, no Home Rule Bill drawn on Gladstonian lines could possibly provide a settlement of the Home Rule question.

3. The Gladstonian Bills did not recognise Irish nationality, but only established a subordinate Irish legislature, subject to the supreme authority of the Imperial Parliament.

4. No people who considered themselves a nation could accept a limited scheme of this character as a full settlement of their claims.

5. The demand for independence as the only just recognition of nationality would be pressed, notwithstanding the passing of a Gladstonian Bill.

6. Irish Nationalist leaders have never accepted the Liberal Bills as more than an instalment of their rights.

7. They have frequently declared that when they have obtained a moderate Home Rule Bill, they will insist upon complete independence when time and opportunity are ripe.

8. Although Irish Nationalists deny that they want separation now, the Home Rule Bill would only be accepted as a step towards this ultimate aim.

9. It is therefore indisputable that Home Rule must raise the question of separation.

10. Many Irish Nationalist bodies openly avow that separation is their object, and that a Home Rule Bill only concedes a part of their full demand.

11. Separation, however, could never be tolerated since it would

establish on our flank a hostile country which could be used by an enemy as a base for operations against our commerce and for the invasion of our country.

12. If Ireland were independent the cost of the Navy and of national defence would be enormously increased.

13. There is no analogy between Home Rule for Ireland and self-government for our Dominions.

14. No British Dominion was granted Home Rule because it asserted its right to be a nation.

15. They were given self-government for geographical reasons, which do not apply to Ireland; their distance from the centre of the Imperial Government making administration from, and representation at, Westminster an impossibility.

16. Irish Nationalists have always made common cause with the enemies of the British Empire; have always boasted of their disloyalty; and all the authority and power of a Home Rule Parliament would be used against Great Britain in time of war and of national danger.

17. It is untrue to speak of Home Rule as a national demand, since it was never popular until it was linked with the agrarian agitation.

18. The Irish people being assured that they could not get the land until they had Home Rule, for that reason supported Home Rule.

19. The land question being now settled, little or no enthusiasm for Home Rule survives.

20. A proof of this is afforded by the decreasing financial support afforded to the Irish Nationalist Party, which finds itself in funds not owing to the enthusiastic support of the Irish people, so much as to the donations of Irish-Americans, whose support of the Irish Nationalists is due chiefly to the fact that they share that party's hostility to Great Britain.

21. The presence in Parliament of the Irish Nationalists would not be avoided by a Liberal Home Rule Bill, which has in the past provided, and probably will in the future provide, that Irish Nationalists shall still sit in the Imperial Parliament. The Irish-Americans would therefore be able to operate through their agency in addition to having the Home Rule Parliament as a second string to their bow in opposing British interests.

22. While a large proportion of the Irish people is apathetic in respect of Home Rule, considerable numbers actually oppose it.

23. Although they are a minority such opponents are too numerous to be ignored; especially as they represent the most prosperous, enterprising, and energetic sections of the population.

24. It is this minority which has built up great industries and commercial undertakings; and it would be intolerable to place them under the control of representatives of the most backward parts of Ireland.

25. This minority, because it is prosperous, would have to contribute

the greater part of the revenue of the Home Rule Parliament; while, because it is a minority, it would have no control over the expenditure.

26. The history of Irish Nationalism shows that it never respects the opinions of a minority or even tolerates its existence.

27. The Irish minority consequently fears with reason that it would be crushed and ruined by a Home Rule Parliament.

28. The minority believes that safeguards inserted in the Home Rule Bill would be ignored, as often as it appeared advantageous to the majority to disregard them.

29. Ireland is passing through a period of change; and a new feeling is growing up that Irishmen can and should work out their own economic salvation, instead of waiting upon Home Rule as an universal panacea for all ills.

30. This new spirit ought for Ireland's benefit to be encouraged, whereas Home Rule would thrust it into the background.

31. Ireland is becoming more prosperous and contented, and in recent years progress has been particularly marked. Home Rule would check these excellent features.

32. While Irish administration is undoubtedly costly the high rate of expenditure has been caused by the special attention the Imperial Parliament has given to improving Irish conditions, with results which justify the expenditure involved.

33. A Home Rule Parliament pledged to economy could not hope to continue this expenditure on the same scale, and Ireland would consequently suffer in proportion as it was curtailed.

BIBLIOGRAPHY.

Lecky's "History of Ireland," vol. v.; Dr. Dunbar Ingram's "History of the Legislative Union"; and J. R. Fisher's "End of the Irish Parliament" should be read for the period of the Act of Union. F. Hugh O'Donnell's "History of the Irish Parliamentary Party" gives an independent account of the growth of the Home Rule movement, Parnellism, and the internal affairs of the party. For an official account of the Parnell movement reference should be made to the "Report of the Parnell Commission." "The Annual Register" for 1886 and 1893 gives an excellent summary of the discussions on the Home Rule Bills of those years. In their constitutional aspects these measures are dealt with by Professor Dicey in two books—"England's Case against Home Rule" (1886) and "A Leap in the Dark" (1893), a new edition of which has now been issued. Coming to present times the Nationalist case is concisely stated by M. McDonnell in "Ireland and the Home Rule Movement," and by Stephen Gwynn, M.P., in "The Case for Home Rule." Barry O'Brien's "Dublin Castle" is a review of the present system of Irish government from a Nationalist standpoint. A useful French view of

Irish affairs—hostile to the Union, but not without criticism of Nationalists—is Paul Dubois' "*L'Irlande Contemporaine*," of which there is an English translation by Professor Kettle. Liberal Home Rule opinion is reflected in "*Home Rule Problems*," edited by Basil Williams, and, "*The Framework of Home Rule*" by Erskine Childers. A collection of Mr. John Redmond's "*Speeches on Home Rule*," edited by Barry O'Brien, includes the more moderate utterances of the Irish Nationalist leader. Mr. W. O'Brien's statement of Irish Nationalist Party history and his version of the present differences between himself and Mr. Redmond is given in "*An Olive Branch in Ireland*." The case against Home Rule is stated by P. G. Cambray in "*Irish Affairs and the Home Rule Question*." The financial side of Home Rule from a Nationalist point of view is put by Professor Kettle in "*Home Rule Finance: an Experiment in Justice*." For the "new" Ireland of economic thought reference should be made to Sir Horace Plunkett's "*Ireland in the New Century*" and to the publications of the Irish Agricultural Organisation Society (Plunkett House, Dublin).

Literature of all kinds, pamphlets, and leaflets, of course of a frankly partisan character, can be obtained from the Union Defence League (25, Victoria Street, Westminster, S.W.), the Irish Unionist Alliance (109, Grafton Street, Dublin), and the Ulster Unionist Council (Mayfair, Arthur Square, Belfast). All the above are anti-Home Rule organisations. Home Rule literature can be obtained from the United Irish League of Great Britain, and the Home Rule Council, both of Great Smith Street, Westminster, S.W.

CHAPTER X

THE EDUCATION QUESTION

THE most striking feature of the education controversy is that it is practically entirely unconcerned with education. Ordinary men differ upon purely educational subjects—how the children shall be taught, what they shall be taught, and when instruction shall begin and cease, but these controversies rarely trouble politicians, unless a question of expenditure is involved. Discussion primarily proceeds upon other than party lines, and the disputes which stir political circles are almost entirely concerned with religious teaching. Over the heads of inoffensive children the battle rages, and all the while the actual work of teaching and conducting the schools goes on without let or hindrance, and, thanks to the tact of the teachers, the troubles of which so much is made upon the platform are almost entirely absent from the schools. The fact is that the question of religious instruction derives its prominence from being a phase in the conflict between the Established Church and Nonconformity. In the schools there is no religious difficulty, and there would be none outside, if Nonconformity were not seeking to overthrow the Established Church.

It would seem that no statesman can deal with the educational system of this country, with a sincere desire to improve it, without becoming involved in a religious dispute. The controversy goes back many years, and though at times quiescent, periodically breaks out into heat and strife.

THE DUAL SYSTEM AND THE ACT OF 1870.

State aid for education began in grants for building elementary schools. These were shared between two societies,

one denominational—the National Society; the other undenominational—the British and Foreign School Society. The foundations of the dual system were thus laid, and from it much of the continued strife has sprung.

With the growth of population, and the extension of State interference in education, a third factor intervened. The Act of 1870 established School Boards, and made it the duty of these bodies to provide sufficient school accommodation for the children of the district. The further provision of denominational schools was not forbidden; but such had to be erected entirely by voluntary contributions. The Act, indeed, was not intended to rival but “to complete the voluntary system.”* In practice, however, it fell far short of this ideal, and it created grievances on both sides. Where accommodation was sufficiently provided by denominational schools the undenominational board school could not be erected. This occurred especially in the villages, and the Nonconformist parent was angered at having to send his children to a Church school.† The Act also placed the voluntary schools at a disadvantage, inasmuch as they were denied the assistance of public funds for their erection, while the board schools were built out of the rates, and in addition to rate aid enjoyed also the parliamentary grant. The income of the voluntary schools from public money was limited to the parliamentary grant, and the balance of expenditure had to be provided by voluntary contributions. Denominationalists were, moreover, prejudiced by the fact that school boards provided in new districts schools, into which they had no right of entry for the purpose of teaching their children the principles of their faith.‡

* Mr. Forster, *Hansard*, February 17, 1870.

† The children were, of course, protected by the Conscience Clause [Clause 7 (1) of the Act of 1870] from having to receive religious instruction to which their parents objected, from which they could be withdrawn. But Nonconformists alleged that they became by such withdrawal marked children; and cases of clerical tyranny were brought forward to prove the Conscience Clause to be no safeguard for conscientious objectors to denominational teaching.

‡ By section 14 (2) of the Act of 1870—the Cowper-Temple Clause—it

THE NEED FOR LEGISLATION.

Notwithstanding its imperfections, the Act of 1870 existed for over thirty years, though the increasing cost of education was subjecting the voluntary schools to an intolerable financial strain. Bereft as they were of rate aid, their equipment and scale of salaries failed to keep pace with the more fortunately placed board schools. Other circumstances, moreover, made legislation necessary. The County and Borough Councils were the education authorities in respect of technical instruction, but inadequate provision was made for secondary education. Besides this, under the decision in the "Cockerton Case" the School Boards, in undertaking evening continuation and technical classes, were held to have acted beyond their legal powers.

THE ACT OF 1902.

The Unionist Government accordingly in 1902 carried out sweeping changes. The School Boards disappeared, and their place was taken by a new authority—the Education Committee of the County or Borough Council. That body controlled every kind of education in its area—elementary, secondary, and technical—and the number of authorities was reduced from over 3,000 to 328. In so far as the Act related to educational administration it was welcomed on all sides, but as it affected the denominational schools it opened the flood-gates of a controversy which has continued to the present time.

This brief survey of the earlier history of the educational system of the country will have made it clear that the strife between the Church and Nonconformity is deep-seated and of was enacted that "no religious catechism or religious formulary distinctive of any particular denomination" could be taught in the board schools. This provision was not in the Bill, as originally introduced, but was placed on the order paper by Mr. Cowper-Temple, a Liberal M.P. and a Churchman, and was accepted by the Government. Its phraseology practically followed that adopted by the British and Foreign School Society in respect of schools established under their auspices before 1870. See Mr. Gladstone's speeches in the House of Commons, June 16 and 30, 1870.

long standing, and although it waned after 1870, it was nevertheless kept alive by local disputes and in controversies over minor legislation till the Act of 1902 fanned the flame into a fierce blaze.

THE POSITION OF VOLUNTARY SCHOOLS.

The State having encouraged the establishment of a dual system of denominational and undenominational schools, could not, as it seemed to the Government of the day, go back upon its engagements to the supporters of the voluntary system. To have placed an undenominational school within the reach of every child would have cost millions; to have bought out the interests of the owners and trustees of the voluntary schools would have also involved a prohibitive expenditure. Besides which any advance in the direction of a general undenominational system would have been entirely contrary to the wishes of a large part of the population.

The authors of the Act accordingly proceeded to relieve the financial strain on the voluntary schools by incorporating them in the general scheme, and placing them, so far as secular education was concerned, under the control of the new education authority, whereby they received rate aid like the undenominational schools. This provision contravened the principle of the Act of 1870, which denied rate aid to other than undenominational schools. The details of the arrangement were also provocative of Nonconformist opposition. In return for rate aid the voluntary schools, now called "non-provided" because they were not provided by the local education authority, surrendered their exclusive clerical management, as two out of the six managers were to be appointed by the local authority. The trustees had to provide the school-house free of charge for secular education, to keep it in good repair, and to make such alterations and improvements as might be required. The local authority had to pay for "wear and tear,"* and possessed the right to inspect the schools and to

* By Clause 7, sub-section 1 (d) it was provided "that such damage as the local authority consider to be due to fair wear and tear in the use of any room in the school-house for the purpose of a public elementary

appoint and dismiss teachers on educational grounds. The managers retained the right to give religious instruction in accordance with the trust-deeds,* subject, of course, to the Conscience Clause, and to control the appointment and dismissal of the head teacher on religious grounds.

NONCONFORMIST OPPOSITION.

The Act then proceeded on the principle of give and take. While the Church gave up its "atmosphere" in the voluntary schools, it gained for them rate aid. The local authority, on the other hand, obtained free of charge the use of the school-houses. The Act, however, gave the voluntary schools a settled position in the educational system, and Nonconformists were especially angered at this recognition. They had watched the financial struggles of the voluntary schools with a certain amount of satisfaction, and hoped that such institutions would be "squeezed out" of the educational system. It was then naturally galling to find that they were going to be made more secure than ever, and the Act at once aroused bitter opposition in Nonconformist circles. Charges were brought against it which were not always logical, and were sometimes exaggerated. The "passive resistance" movement against paying that portion of the education rate which was believed to represent the amount to be expended on denominational instruction in the voluntary schools and the

school shall be made good by the local education authority," but the clause was not in the Bill when it left the House of Commons. It was inserted in the House of Lords by the Bishop of Manchester, who carried it on a division against the Unionist Government! And to allow of its being discussed in the Commons without raising the question of privilege a proviso was added that the obligation should not throw any additional charge on a public fund. This addition having served its purpose, was struck out when the amendment was accepted by the Commons.

* Clause 7 (6) enacted that religious instruction in non-provided schools was to be given in accordance with the provisions of the trust-deed, and should be under the control of the managers. It was inserted on the motion of Colonel Kanyon-Slaney, M.P. Hence the name, "the Kenyon-Slaney Clause."

Welsh revolt policy were indications of deep feeling against the Act.

But it would be idle to deny that the measure was to some extent used as an excuse for an attack upon the Church of England. The demands of the Nonconformists went beyond a mere amendment of the objectionable clauses, and in the later legislative attempts of the Liberal Government the Church schools were prejudiced to an extent that laid the Nonconformists open to charges of vindictive retaliation and confiscation.

The charges brought against the Act were that it denied popular control over schools maintained by the State ; that it forced persons to pay for sectarian teaching to which they were opposed ; that it endowed sectarian teaching in State-supported schools ; and that it imposed religious tests upon teachers.

For the most part these accusations could stand but little logical examination, and a cool reasoner would demolish them, or at any rate dismiss them as exaggerated. The Nonconformist unfortunately was not in a condition to listen to pure reason, for he believed, conscientiously in most cases, that he had a grievance against a powerful and aggressive Church.

POPULAR CONTROL.

So far as popular control went, if by the term is meant control by the local education authority, it is difficult to maintain that the Act "denied" it. The local authority had in fact complete control over secular education and over the appointment and dismissal of teachers on educational grounds. To assert that the schools were under the control of the "priest" was to ignore the facts. The "priest" could only be one out of six managers, and the powers of the managers were restricted to carrying out the orders of the local education authority, and to conducting religious instruction in accordance with the trust-deed.

ENDOWMENT OF SECTARIAN TEACHING.

In the picturesque language of its opponents the Act was said to have endowed sectarian teaching out of the rates. It

would seem that the objection was to any rate aid being granted to schools wherein other than Cowper-Temple teaching was given. Conscientious objection to public money, in the shape of rate aid, being spent upon the voluntary schools, implies a distinction drawn between rate aid and State aid by parliamentary grants. For years the voluntary schools had been receiving parliamentary grants of public money. There had been no outcry against the system; and it was difficult to understand how consciences could be violated by the grant of rate aid and remain unaffected by the receipt of State aid. Actual sectarian teaching in voluntary schools was confined to a very small portion of the school hours, and was not by any means given as a matter of course every day.

When it was given no doubt the heating and lighting of the room and the teachers' salaries were provided out of public funds.* Those who denounced these payments as State support of sectarian teaching ignored the other side of the agreement, under which the trustees of the voluntary schools placed at the disposal of the local authority, free of rent, satisfactory premises for secular education on five days of the week.

The gain might very reasonably be held to have neutralised the loss. Even if this were not so, and the balance of advantages remained on the side of the voluntary schools, it should not have been forgotten that at least one-half the nation would not disapprove of their contributions to the rates going towards the support of denominational teaching; and although this half regarded Cowper-Temple teaching as falling far short of their denominational standards, yet they had acquiesced in the grant of rate-aid for the schools in which instruction of this character was given. The opposition to the Act was, however, too bitter to recognise these facts, and the extremists on both sides rejected all compromise.

* Mr. McKenna in 1907 tried to effect a settlement by providing that the managers should pay one-fifteenth of the teachers' salary, that being in his judgment the proportion represented by the time given to denominational instruction. His Bill, however, did not proceed to a second reading.

TESTS FOR TEACHERS.

The dispute also included a grievance of a personal character in respect of certain teachers. In the Council schools no question of religious convictions arose, for as the teaching therein is purely undenominational in character it is assumed that any one can give it without conscientious scruples. In denominational schools, however, the religious instruction had to be in accord with the terms in this behalf of the trust-deed. The managers were given a voice in the selection of the head teacher so far as the religious education of the school was concerned; and they naturally selected one whose religious beliefs were in agreement with those of the children he had to teach. In practice, too, although there was no such expressed limitation in the case of assistant teachers,* the rest of the staff were generally appointed from teachers of the same creed as their chief.

It was felt to be a grievance that teachers fully qualified, so far as secular education was concerned, should be prevented from obtaining posts in voluntary schools maintained out of public funds. There was, however, considerable exaggeration in respect of this grievance on the part of the Nonconformists.† There were no "tests" exacted in the strict sense of the word, but only an assurance was required that the teacher could properly give religious instruction in schools in which such instruction was a legal necessity. To ignore the qualification of the teacher to give such instruction was found to be impossible without setting up an universal secular

* Education Act, 1902, section 7 (5): "In public elementary schools maintained but not provided by the local education authority, assistant teachers and pupil teachers may be appointed, if it is thought fit, without reference to religious creed and denomination. . . ."

† A leaflet issued by the *British Weekly* declared that the Act "shuts out the sons and daughters of Free Churchmen from the *best educational posts* on the sole ground of their religious convictions." A moment's examination of educational statistics would have shown this statement to be erroneous. The largest schools are the Council schools, and in them teacherships naturally carry the highest salaries, and are "the *best educational posts*," but such are open to all teachers without reference to their religious convictions.

system. Indeed, it was argued with considerable force that there would be effectual interference with a teacher's freedom if he were forbidden to give denominational instruction, which he was anxious and willing to impart to children whose parents wished them to be so instructed. In the discussions which arose on the various Education Bills introduced by the Liberal Government there was, it might be said, an almost general indication that a strict interpretation of the principle of "no tests for teachers" was impossible.

The return in 1906 of a Liberal Government, supported by a strong Nonconformist majority, naturally gave the education controversy one of the foremost places in the legislative programme.

THE BIRRELL BILL, 1906.

Their first Bill, however, that of Mr. Birrell, proved to be ill-considered and over-loaded with unnecessary matter. As printed it differed from Mr. Birrell's introductory explanation—a sure proof of Cabinet revision at the last moment. Besides dealing with purely educational matters,* it devised remedies for general Nonconformist grievances, and delivered a bold attack on the voluntary system. In fact, it established a purely secular system by providing that all religious instruction should be given outside the hours of compulsory attendance, and did not make even Cowper-Temple teaching obligatory. It kept the door of the Council school shut against the supporters of denominational teaching, and it placed the denominational schools wholly at the mercy of the local authority, which might indeed afford facilities for religious instruction. But such facilities were little more than a mockery in the rural schools,† and although they were

* The portion relating to educational endowments was dropped. Part III., which dealt with various miscellaneous educational questions, including vacation schools and the medical inspection of children, substantially became law in 1907 as the Education (Administrative Provisions) Act.

† If it were made a condition, when the school was transferred to the local education authority, religious instruction could be given on not more than two mornings a week. But the instruction had to be given

somewhat extended in the case of urban schools,* they were fenced around with onerous and undesirable conditions which would have made smooth working impossible.

The Facilities Clause conceded superficially, and to the eye, the denominational demand for religious instruction, and at the same time recognised the Nonconformist grievance relating to the single-school area, in which the village school, denominational in character, and the only one available, was necessarily attended by all children, irrespective of their parents' religious beliefs. It was not, of course, that such children were taught creeds to which their parents objected, for they were safeguarded by the Conscience Clause. The grievance was in respect of the denominational "atmosphere" of the school.

The Special Facilities Clause was a concession to the Roman Catholic and Jewish, though the necessary conditions could be fulfilled in a few cases by Church of England, schools.

Although the death of this Bill was ostensibly due to amendments introduced by the House of Lords, which Sir Henry Campbell-Bannerman's Government declined to accept, the measure was really killed by public opinion. The denominationalists regarded the "facilities" as illusory; and though Mr. Birrell delivered reassuring speeches, he steadily declined to translate his assurances into legislative form. The extremists among the Nonconformists, on the other hand, thought conciliation had been carried to excess, and the Minister in charge protested that his Bill was "packed with concessions," while there was no body of moderate public opinion in favour of it, as introduced, or as from time to time amended.

outside school hours, was not to be paid for by the local authority, nor given by the teachers (Facilities Clause).

* In urban districts where there was an alternative undenominational school, the local authority might permit religious instruction to be given without restriction on two mornings a week, provided that the parents of four-fifths of the children desired to have it, and the teacher was allowed, if willing, to impart such instruction (Special Facilities Clause).

OTHER ATTEMPTS.

The Bill was in fact a failure, but the Government was not deterred from making another attempt. Mr. McKenna, who succeeded Mr. Birrell at the Board of Education, promised that his measure should be not an olive branch but a sword,* and so it proved to be. The Bill of 1907 made one effort in the direction of compromise and settlement. The scruples of the passive resisters were to be removed by making the managers of denominational schools liable for one-fifteenth of the teachers' salary, representing payment for that portion of the teachers' time which was devoted to denominational instruction. The measure, which met with little or no support, was speedily dropped.

Mr. McKenna's more ambitious effort was made in the following year. In single-school areas his second Bill frankly confiscated denominational schools. The trustees could only give denominational teaching outside school hours by other agency than that of the teaching staff, and denominational schools in other than single-school areas if transferred to the local authority lost their special character. As an alternative, at the discretion of the Education Minister, they might be allowed to contract out, receiving parliamentary grants but no rate aid. This return to the discredited dual system earned the condemnation of every educationist, and would have destroyed the efficient local administration which the Act of 1902 had established.

MR. RUNCIMAN'S BILL.

Mr. McKenna was no more fortunate with his second than with his first measure, and it never reached the Committee stage. He was shortly replaced by Mr. Runciman, who made the fourth and so far the last, and the most successful attempt. For the first time the Government took into consultation the leaders of the Church as well as the leaders of Nonconformity,† and though the Runciman Bill suffered from hasty

* At Pontypool, July 1, 1907.

† The Roman Catholics were not assenting parties to the negotiations. See Prime Minister's Speech, House of Commons, November 19, 1908.

preparation, it marked a considerable advance upon the previous proposals.

It established a general system of rate-aided schools, provided for the transfer of voluntary schools, subject to the payment of rent for the use of the school-house, and commended itself to the denominationalists by acceding to their hitherto stoutly opposed claim to a right of entry into the schools, where only Cowper-Temple teaching had hitherto been permitted.* It met the Nonconformist grievances by providing that denominational teaching must not be given at the cost of the local authority, and by forbidding the exaction of any conditions in respect of religious instruction in the appointment of teachers. Other than head teachers † might volunteer to give denominational instruction, and for other than single-school parishes there was a Contracting-out Clause permitting schools to maintain their denominational character, on condition of giving up rate aid.

Moderate opinion largely favoured a settlement on the lines suggested, but unfortunately much was left to be desired in the details of the measure. The Contracting-out Clause, which was especially intended to meet the case of the Roman Catholic schools, left them with a wholly insufficient parliamentary grant. ‡ The terms of the transfer of the voluntary schools proved upon examination to allow a wholly inadequate return for the money expended from private funds upon their erection. By recognising the special case of the Roman Catholic schools, limiting the application of the Contracting-out Clause, and improving the terms of the transfer, a settlement might have been effected. But delay gave extreme opinion an opportunity of

* On two mornings a week, from 9 o'clock to 9.45 a.m.

† Head teachers in transferred voluntary schools could volunteer to give denominational instruction, and were permitted to do so for a period of five years after the passing of the Act.

‡ Mr. John Redmond, M.P.: "The total maintenance and salaries now was £98,000, or 69s. 4d. per child, in the Catholic schools. The grant according to the schedule for salaries and maintenance would be £70,705, or 49s. 8d. per child per annum, which left a deficit of £28,085 per annum, or 19s. 8d. per head" (House of Commons, December 2, 1908, Parliamentary Debates, p. 1552).

making itself felt. "Right of entry" was regarded with the utmost hostility by the Nonconformists, while on the other hand it encouraged the desires of certain Churchmen for perfect equality of treatment between denominational and undenominational instruction.

The Bill failing to overcome these difficulties was, like its predecessors, dropped, and since that time the Coalition Government has brought forward no more legislative schemes. They are biding their time, but past failures would seem to have taught them nothing. Mr. Bunciman has declared that the first duty of an Education Minister "will be to see that the Education Act of 1902 is wiped out."* Whatever the future plan may be it must proceed upon entirely new lines. There is, so far as can be judged from what has happened, no majority in the House of Commons for the Birrell Bill, and the other three Government measures failed to commend themselves to a House much more inclined to listen sympathetically to Nonconformist grievances than the present assembly.

THE NEED FOR A SETTLEMENT.

Following upon the failure of Parliament to reach a settlement, well-meaning persons have been endeavouring to produce a scheme such as should meet with general acceptance. Proposals of all kinds abound, but none have so far achieved general popularity.† The public are indifferent, and there is so little difficulty in the schools that they are inclined to look upon the whole matter as a sectarian squabble.

* Northampton, April 28, 1911. Acknowledging a resolution passed by the Nonconformist Parliamentary Committee, urging the Government to reintroduce proposals dealing with the education question, Mr. Asquith wrote, "You may rest assured that it will receive most careful and sympathetic consideration, which, I trust, will assume the form of legislation before this Parliament comes to an end" (*The Times*, April 4, 1911). This assurance has been repeated as lately as November, 1911.

† See article by Prof. Sadler in *The Times*, May 30, 1910, on Settlement Committee's Scheme; correspondence between the Archbishop of Canterbury and Lord Salisbury in *The Times*, October 25, 1910; and "Parents' Rights" Bill, in *The Morning Post*, January 24, 1911.

It is impossible, however, to emphasise the harm that is being done to the cause of religious instruction by this controversy being kept open. Everything points to the necessity for a compromise between the Church and Nonconformity. Without it before long the country will demand, as a measure of despair, a purely secular solution, and no religious community could regard the adoption of that solution with approval.

PARENTS' RIGHTS.

The controversy has brought to the front a principle of which but little was heard at the beginning. Then it was generally assumed that the question was one for the decision of the leaders of the Church and of Nonconformity, whereas it is now regarded as a question for the decision of the parents of the children. They, it is said, have the right to choose the nature of the religious instruction their children shall receive. This solution has been received more favourably by the Church than by Nonconformists. The hostility of the latter is due to the fact that its acceptance must open the undenominational schools to denominational teaching. At the same time, however, the Church school in a single-school parish must lose its distinctive denominational character.* The religious bodies might well withdraw their claims to decide the question, and the parents, as individual members of religious denominations, should be allowed to decide that with which they are chiefly concerned.

STATE AND RELIGIOUS INSTRUCTION.

A really difficult question to settle is the correct relation of the State to religious instruction. Should such be given within the schools? Should it be imparted by the teachers? And should the cost be met out of public funds?

* It should not be forgotten that the "single-school parish" is not always a grievance of Nonconformists as against Church schools. In many cases the single school in the parish is of an undenominational character. Parents who desire their children to receive instruction in their own religious beliefs find that they are denied this advantage, although they themselves are called upon to pay rates for maintaining the school in such cases.

If a settlement is to be reached, the replies must, it would seem, be in the affirmative, unhesitatingly, to the first, with qualifications, to the second, and in relation with certain contingencies, to the third, of these questions.

Religious instruction should be given in school hours, for a child whose parent has indicated a desire that he should receive religious instruction of a specified character should be at least as much bound to attend at that time as during the hours devoted to geography, arithmetic, or any other secular subject. Otherwise religious instruction is bound to occupy a lower place in the child's estimation than instruction in other subjects.

In the interests of discipline the teachers should, if they are competent and willing, be permitted to give religious instruction. It might be desirable to exclude the head master, except where an overwhelming majority of the children are of one religion, as otherwise the school would present the appearance of being under specific denominational guidance, but to go beyond that would seem to be unnecessary. If it is a denial of liberty only to appoint a teacher on the condition that he gives a certain kind of denominational instruction, it is equally a denial of liberty to forbid him to give instruction in his own religious belief to children of the same creed.

Whether denominational teaching should be paid for out of public funds depends entirely on the attitude of the State. Nonconformists object to the present system, alleging that under it the State pays for religious instruction. The logical remedy would be that the State should not concern itself in any way with religious teaching, but Nonconformists, or at any rate a large majority of them, do not accept this doctrine in its entirety. They limit it by holding that the State should not concern itself with the religious instruction of any particular denomination. The cost of religious but undenominational teaching, such as conforms to the Cowper-Temple Clause, they regard as properly payable out of public funds. Because such instruction is concerned with the doctrines of no religious sect they consider equality of treatment and perfect justice is obtained, ignoring the fact that

if the State satisfies them with Cowper-Temple teaching, it does not in the like manner, and on the same terms, satisfy the denominationalists. The latter do not regard Cowper-Temple teaching as meeting their case. To endow such with rate aid, and to call upon them to pay their share, while denying their religious beliefs the same advantages, seems to denominationalists the rankest injustice, and they see no reason whatever why Cowper-Templeism should be endowed and the Church of England tabooed.

LINE OF COMPROMISE.

Nonconformists may regard teaching under the Cowper-Temple clause as favouring no one, at the expense of another, religion, but denominationalists are by no means of the same opinion: and until they are converted to the Nonconformist view settlement on the basis of general acceptance of Cowper-Temple instruction is impossible. As neither party, therefore, wants the purely secular solution both should agree to a reasonable compromise.

State aid and rate aid should be given to all schools alike—just as they all received State aid before, and State aid and rate aid since 1902. All schools, however, should be open for religious instruction at the choice of the parents of the children. There should be no contracting out, since strong objections exist to such among the Free Churches, but a school in other than a single-school area should be permitted to retain a more distinctive denominational character, if an overwhelming majority of the children are of one creed. The managers of the school or a parents' committee should be entrusted with the arrangements for giving religious education in accordance with the desires of the parents, and the teachers should be permitted to volunteer to give such definite denominational instruction as is required. Failing a teacher, an outsider might be appointed for the purpose with the sanction of the managers. To meet conscientious objection to public money being applied even to a small extent to the cost of denominational instruction, permission might be given to such as desire it, to allocate their education rate to undenominational purposes. Very few would move in this direction.

The country is weary of the controversy, and desires a settlement, and the degrading strife between contending sects with no real doctrinal differences is a scandal that is having an evil effect upon the religious life of the nation.

UNEVEN ADMINISTRATION.

Unfortunately the Liberal Government have by their administration only added fuel to the flames. They openly boast of having achieved by administration the ends that were denied them by legislation.* They are suspect of every denominationalist in the country. In the Swansea School case the Board of Education deliberately threw over their own special commissioner who reported against the local authority and for the Church school, and the highest court in the country, to which they appealed from the High Court, has now decided that the authority was acting illegally in discriminating against the teachers in the school.† In other less notorious cases the Board of Education has proved to be in the wrong.

Confidence in the administration of the Board has also been seriously weakened by the manner in which it has discharged its judicial functions in respect of educational endowments of a denominational character.‡ Mr. McKenna's action in over-riding an Act of Parliament by means of the Appropriation Bill, and allocating £100,000 of public money for the erection of undenominational schools, showed the unprecedented steps the Government were prepared to take to carry into effect their

* "I may remind you of the relief which the Government has been able to afford the Nonconformists by their administrative action" (Mr. Asquith's letter to the Secretary of the Nonconformist Parliamentary Committee. *The Times*, April 4, 1911).

† See Judgments of the Lord Chancellor and Lord Halsbury in the House of Lords, *The Times*, April 7, 1911.

‡ Many such cases have been discussed in Parliament. A recent and bad attempt to convert a denominational into an undenominational trust was the case of the Wheelwright Schools at Dewsbury. When the subject was discussed in the House of Lords on April 5, 1911, the Government offered a feeble apology for their action, and did not even trouble to oppose a motion to negative their scheme. The facts of the case were set out in a letter by Lord Dartmouth to the *Morning Post* on April 8, 1911.

anti-Church policy.* Their Regulations were made to serve the same purpose, grants for secular education being only given to denominational secondary schools and training colleges on condition that they largely abandoned their distinctive religious character.† It is perhaps best that these acts should be forgotten, and many Liberals wish that they had never occurred. Their effect has been unfortunate in lessening the chances of settlement; and they have destroyed the confidence of the public in the position hitherto fairly maintained that though Ministers are party politicians in respect of legislation, they are just and impartial administrators of the law.

SUMMARY.

The main arguments put forward in the controversy may be summarised as follows :—

Undenominational.

1. There should be complete popular control over all schools maintained and supported out of rates and taxes.

2. In such schools no religious teaching should be given which is distinctive of any religious belief.

3. Otherwise a particular religion is endowed out of the public purse; and taxpayers and ratepayers have to contribute towards the propagation of religious beliefs to which they may be opposed.

4. Teachers are shut out from educational posts for which they are fitted owing to their conscientious objections to giving the kind of religious instruction required, or they are practically compelled to give religious instruction in which they may not believe.

5. This exclusion is unjust to the teachers and unfair to the State, which is unable to make the best use of the teachers' knowledge and training, the cost of which it has largely provided.

6. The Education Act of 1902 must be amended since it denied popular control over schools maintained out of public money, left them their

* See Parliamentary Debates, House of Commons, March 20, July 11, and August 15, 1907; and House of Lords, July 25 and August 21, 1907, and March 23, 1908. The clause over-ridden by the Appropriation Bill was Section 96 of the Education Act, 1870, which provided that "no parliamentary grant shall be made in aid of building, enlarging, or improving or fitting up any elementary school."

† See Parliamentary Debates, House of Commons, July 11, 1907, and House of Lords, July 25, 1907

denominational character, and imposed religious tests upon teachers seeking employment in them.

7. The Liberal Education Bills have been intended to ensure that elementary schools maintained out of public funds shall be under popular control, and that teachers shall not have to submit to religious tests. They recognised the interests of denominations in certain schools by offering them a fair price for such interests or its equivalent in concessions in favour of denominational teaching.

8. But proper regard for the conscientious convictions of thousands of citizens made it impossible to provide that the cost of denominational teaching, where provided for children at the desire of their parents, should be met out of the rates.

9. In special circumstances, however, these Bills permitted denominational schools under certain conditions to preserve this wholly denominational character on agreeing to forego rate aid.

10. They offered the only fair and just alternative to the purely secular solution, and were the inevitable outcome of the General Election of 1906.

11. They were acceptable to the majority of the electors in the country, which is satisfied with Cowper-Temple teaching, and only desires to permit the existence of denominational schools as exceptions to the general rule.

12. Since the dual system established by the Act of 1870 had broken down, and the voluntary schools had shown themselves unable to maintain their efficiency under the conditions then established, the Liberal Bills offered the only solution that would be accepted by the country as a proper settlement.

13. The principles of these Bills have been accepted as entirely just and indeed inevitable by a large number of Churchmen of moderate opinions.

14. The Conscience Clause has proved to be no safeguard to Non-conformist children, especially in the villages, where clerical intolerance has often placed them in an ignominious position.

15. As parents are compelled to send their children to school, where no alternative institution exists such school of compulsion must be of such a character that the children will not be subjected to religious influences to which their parents have conscientious objections.

16. This necessary condition can only be obtained in a single-school parish by making the school wholly undenominational in character.

Denominational.

1. The Cowper-Temple teaching, while it suffices in some cases, does not satisfy multitudes of parents who wish their children to receive definite instruction in their own religious beliefs.

2. These parents being ratepayers and taxpayers have an equal right with undenominationalists to say what religious instruction shall be given in the schools which they help to maintain, and their children have to attend.

3. The State has always recognised the voluntary schools and encouraged the supporters of such schools to expend money on their erection and maintenance.

4. Accepting this responsibility, the Church of England alone has spent more than £47,000,000 upon elementary education, of which nearly £30,000,000 has been found since 1870 for denominational schools.

5. It would be an act of injustice and a gross breach of faith now to disallow the continuance of such schools on a denominational basis, or only to permit them to continue on such a footing, bereft of assistance from the public purse.

6. Teachers who are willing and qualified should be allowed to give definite religious instruction to the children whose parents want it. To forbid them is a denial of liberty.

7. If denominational religious instruction is allowed at all, it should be given by teachers rather than by outsiders, in the interests of efficiency and of the discipline of the school.

8. To allow of the provision of religious instruction only outside school hours would be to degrade it to the position of an extra and optional subject, and to encourage the children to regard it as of less worth than secular themes such as reading, writing, and arithmetic.

9. The consciences of minorities are fully protected by the Conscience Clause, which safeguards any child from receiving religious instruction against its parents' wishes.

10. There is no real difficulty or trouble in the schools themselves, and the controversy is mainly the work of Nonconformist agitators, who, being opponents of the Established Church, desire to undermine her position.

11. The Education Act of 1902 gave the voluntary schools no more than bare justice, since it raised the standard of efficiency of secular education by bringing all local school administration under one controlling authority.

12. That Act did not endow denominational instruction out of the rates, since the teachers' time and the use of the school-houses for denominational instruction were more than balanced by the use of the school-houses free of rent for the purposes of secular education.

13. The rate aid supplements the State grant and provides the money to meet the cost of secular instruction in all schools and of religious instruction only in undenominational schools.

14. The Act of 1902 did not place the rate-aided voluntary schools under clerical control, but placed them under the control of the local authority for secular education, and under the control of the managers, of whom only one could be a clergyman, in respect of religious instruction.

15. The Act reduced the number of posts reserved for teachers of a particular denomination by permitting assistant and pupil teachers to be appointed to denominational schools, irrespective of their religious beliefs.

16. The Act made it easier for new undenominational schools to be

erected by removing the existing limitation to the effect that new schools could only be built where the number of places in the existing schools was insufficient.

17. Liberal Bills to amend the Education Act of 1902 have been dictated by the desire of Nonconformists to wipe out denominational schools as far as possible.

18. Such Bills ignored the great work done and the money spent by the Church of England and other religious bodies on the provision of education, and offered only such terms as amounted to confiscation or starvation.

19. They attempted to set up an universal undenominational system against the wishes of, at the very lowest computation, half of the inhabitants of the country, who did and do desire that their children should and shall receive definite religious instruction according to their own beliefs.

20. Regardless of the conscientious convictions of their opponents, the Liberals would have forced them to pay for religious instruction which failed to satisfy their needs, and would have denied them equal opportunities of having their own children taught the principles of their own creed.

21. The provision of an universal undenominational system would irreparably impair the religious life of the nation, and would end in no long time in a purely secular solution.

BIBLIOGRAPHY.

For the most part the literature of the education controversy is only to be found in the ephemeral pamphlets and leaflets of the various political and religious associations, which took part in the dispute. Graham Balfour's "Educational Systems of Great Britain and Ireland" gives a valuable and impartial survey of the history of our educational systems, and a summary of the present system. A history of the efforts of the Church of England is given in two pamphlets issued by the Church Defence Committee (Church House, Westminster, S.W.)—"The Church and Education prior to and since 1870." The Nonconformist case is stated in the various issues of the "Free Church Year Book," published by the National Free Church Council (Memorial Hall, Farringdon Street, E.C.). From these organisations and from the National Society (19, Great Peter Street, Westminster, S.W.) literature can be obtained dealing with the question. The debates in Parliament on the various Education Bills should also be consulted. Full statistics relating to education are to be found in the Annual Report of the Board of Education, which is presented to Parliament.

CHAPTER XI

DISESTABLISHMENT AND DISENDOWMENT

DISESTABLISHMENT is one of the questions which for many years has figured in the Liberal programme, and is generally advocated upon the abstract principles of equality and justice. In concrete arguments, however, the appeal to these virtues is accompanied by motives of a less exalted character, which are at least to some extent based upon envy, covetousness, and self-interest.

No one who has studied the attitude of the rank and file of Nonconformists towards the Established Church can deny that they are in no small degree jealous of its position, and are not unwilling to see its pride humbled, its revenues diminished, and its dignity impaired. Although it is asserted by members of the Free Churches that disestablishment would be advantageous to the Church, inasmuch as it would thus be free from State influences, and informed by a spirit of sanctity alone, it is somewhat difficult to believe that they would advocate this reform if they really believed that it would be to the Church's benefit; for if it were the Church would be stronger and Nonconformity weaker in equal degree.

ASSUMED ANXIETY FOR THE CHURCH.

This argument is not likely to deceive any Churchman, especially as proposals for disestablishment are always accompanied by proposals for disendowment.* Under Mr. Asquith's Welsh Disestablishment Bill of 1909, of the existing endowments

* "Every practical politician knows that Disestablishment and Disendowment are inseparable" ("The Case for Disestablishment in Wales," by Howard Evans). See also leaflet of Liberation Society, "Disestablishment and Disendowment Inseparable," by Dr. J. Massie.

of the Welsh Church, there would remain only 1s. 5½d. in the pound,* and to argue that the spoliation of so much of the income of the Church would make it more efficient borders on the absurd. Indeed, if Nonconformists really believed that a religious body enjoying endowments is for that reason less likely to do its duty than one which exists only upon the contributions made from day to day by its supporters, their obvious and logical duty is to surrender without delay their own endowments. Needless to say they suggest no such surrender, and their refusal affords reason to doubt their belief in the soundness of their own argument.

HOSTILITY TO THE CHURCH.

There would probably be a greater disposition to accept the argument if those who support disestablishment made less display of their hostility to the Church. But no one can read the writings, or listen to the advocates, of disestablishment without becoming aware how keen and deep seated is this feeling. The Bishops are attacked for their actions in the House of Lords. They are asserted to be opponents of measures designed to improve the social and moral conditions of the people, and they are accused of being shamefully rich. The Cathedral system is denounced, and the parochial system, and the conditions under which, and the manner in which, patronage is exercised, are all subjected to hostile criticism. The clergy as a class are condemned, and references are made to much that Churchmen hold dear in such a spirit as can only leave the impression that not only the establishment, but the doctrines also of the Church are the subject of attack.

THE "BREECHES POCKET" ARGUMENT.

Such, however, as may not be enamoured of disestablishment in the abstract may be moved by the prospect of concrete gain arising out of the division of the Church's property. "In disendowment," according to the Liberation Society, "the ruling principle shall be, not generosity to the Church,

* See Central Church Committee leaflet, No. 207.

but justice to the nation."* The funds at disposal as the result of disendowment are to be applied to the provision of higher and technical education, hospitals, dispensaries, nurses, libraries, parish halls, and to other purposes of local or general utility. The prospect of personal advantage is more crudely apparent in the proposal that disendowment shall supply funds wherewith to reduce the qualifying age for State pensions from 70 to 65, or even 60 years of age.†

Bearing these facts in mind, it is necessary to discount very considerably the arguments that an Established Church involves injustice to citizenship, a wrong to the nation, and that it is a hindrance to religion: in short, that disestablishment is demanded in the highest interests of the individual, the nation, and the Church. These high principles would carry more weight if they were free from any taint of self-interest. Such as they are, they are put forward as of general application; and advocates of disestablishment desire to see the Established Churches—of Scotland as well as of England and Wales—liberated from State control, and the "national property" now held by them applied to other, and strictly national, purposes. So far as practical politics are concerned, however, the Established Church in Wales alone is in immediate danger. In Scotland there is no movement for disestablishment worth taking into account. Disestablishment of the Church in England—though Liberal candidates think it worth while sometimes to express a pious opinion in its favour—cannot be regarded at present as in sight. Wales has been chosen for the scene of the first conflict, because the Principality appears to the party of disestablishment to offer the most favourable ground upon which to fight. But from their arguments against the Established Church in Wales, which is only a part of the Established Church in England, it is clear that success in Wales would not satisfy them, and would indeed only be an encouragement to proceed against the Church in England.

* "The Case for Disestablishment," p. 170.

† Made by Mr. Ellis Griffith, M.P., Chairman of the Welsh Parliamentary party. See Parliamentary Debates, April 21, 1909, pp. 1552-8.

In their minds any Established Church, wherever it may be, is a wrong, since it violates the cardinal principles of justice and equality.

THE SECULAR SOLUTION.

Carried to its logical conclusion, this argument denies to the State any right to have anything to do with religion, and confines it to the secular sphere. It confounds ecclesiastical with individual equality, though to-day no obstacle exists to the profession by any individual of any religion. No doubt there were such obstacles in the past, and whether they were or were not necessary and justifiable when they existed is a matter of academic interest for the historian. They have all been removed, and no question of individual inequality is involved. It is purely a question of the relation of religious bodies to the State; and while it is true that in some countries, such as the United States and British Dominions overseas, there is no Established Church, the long historical connection between the Church and the State in England has resulted in strong and almost ineradicable growths going deep down into the essential bases of our national life. In some countries, as in France, there has occurred in recent times a disruption of the relations between the Church and the State, but he would be a bold man who would maintain that where there has never been an Established Church, or where the connection between such a Church and the State has been severed, religion has an equal hold upon the nation, or that national standards and ideals are of equal worth. The results of the divorce between Church and State have hardly resulted in universal harmony, in economic peace, in an accession of patriotic effort in France, but it is maintained that disestablishment would have some, at any rate, of these happy results in England and in Wales!

THE COMPLAINT OF INEQUALITY.

If, however, the attitude of Nonconformists towards the Established Church is examined with special reference to their complaints of inequality, it will be found that the outward and visible emblems of establishment, rather than its

essential attributes, in an especial degree give occasion for complaint. The Sovereign is a member of the Established Church of England; but that he should be so is not essential to establishment.* The Bishops have seats in the House of Lords, but the possession by them of this privilege is not essential to establishment. Proposals have indeed been made for reducing the number of, and even for abolishing, their seats in the Second Chamber; and, on the other hand, it has been urged that the leaders of the Nonconformist and Roman Catholic Churches should sit in the House of Lords. Establishment does, however, involve the acceptance of the offices of the Church on State occasions, such as the Coronation. But Nonconformists do not see why they should not be allowed to participate in that ceremony,† to which there is probably no legal or other objection. Their admission would not produce equality, but a demand for participation by other religious bodies, in which the Roman Catholic Church could not be included. The only logical solution would be a purely secular Coronation ceremony, which might satisfy some, but would be by no means acceptable to the majority of the inhabitants of Great Britain.

THE OBLIGATIONS OF ESTABLISHMENT.

Although Establishment confers certain privileges of this character,‡ it imposes upon the Church certain restrictions and obligations. The State exercises, for instance, a considerable amount of patronage in the Church—such as the nomination of bishops, and in certain cases, of deans, canons, rectors, and vicars. It is true that those who act for the State may abuse their privileges in this behalf, and no doubt political considerations have often weighed with Ministers in making these appointments. The exercise of patronage at the

* The Presbyterian, is the Established, Church of Scotland, but the Sovereign is not a member thereof.

† In the investiture of the Prince of Wales Nonconformist ministers took part.

‡ The Established Church can call upon the State to enforce the decisions of the Ecclesiastical Courts.

present day is, however, very jealously scrutinised, and those who are charged with the duty of making or recommending appointments conform, as a result of high principle, or a fear of criticism, to a higher standard than obtained in the past. But if they do fail in the execution of their trust theirs is the blame, and it is they who should be removed, not the Church which should be blamed.

THE SO-CALLED "FREE" CHURCHES.

The State places restrictions upon the introduction of changes into the doctrine and liturgy of the Church, which cannot be made without its consent ; * but it is inaccurate to assert that disestablishment would relieve the Church from all control by the State. Indeed, the very act of disestablishment by an Act of Parliament would be a crucial and monumental instance of such interference, and the State would again necessarily be called in, if it were sought to change or amend the conditions and position of the disestablished Church. The "Free" Churches, too, are as a matter of fact subjected to State control, for the intervention of Parliament has been required in two recent instances in the affairs of Nonconformist bodies. In 1905 an Act of Parliament was found necessary in order to readjust the distribution of property between the Free Church and the United Free Church of Scotland, and in 1907 parliamentary sanction had to be obtained to enable three Nonconformist bodies to unite under one name.† The "Free" Church, which holds property under a trust-deed

* Other restrictions to which Establishment is subject, are the necessity of a writ for permission to Convocation to sit, the issue of Royal Letters of License before Convocation can consider legislation for the Church, and the denial to the clergy of the Church of England of freedom to sit in the House of Commons. There also rests an obligation on the clergy to be at the service of every citizen. It is arguable whether these restrictions are a necessary part of establishment. So far as doctrine and ritual are concerned, for example, the Established Church of Scotland enjoys large powers of self-government.

† 7 Edw. VII. c. 75. The Act authorised the union of the Methodist New Connexion, the Bible Christians, and the United Methodist Free Churches under the name of the United Methodist Church.

requiring certain doctrines to be taught, is subject to State control, inasmuch as the law enforces the teaching of the prescribed doctrines in order to the proper performance of the trust; and no legal relief can be obtained, however obsolete the doctrines may seem to-day, without application to Parliament.*

Even after disestablishment is attained the Church of England would not be entirely free, but would still in some respects be liable to regulation by the State. It follows that the reunion of the Church and Nonconformity cannot result. Nor is there any reason to assume that better relations would be established; for the fact that disestablishment could only be achieved in direct opposition to the wishes of Churchmen would certainly not promote good feeling between them and Nonconformists.

DISENDOWMENT THE REAL QUESTION.

But the chief question is disendowment. Disestablishment alone would not give satisfaction; the revenues of the Established Church must to a great extent be confiscated, and to justify this demand, it is alleged that she enjoys an annual income of nearly six millions from public property, which should be set free for national purposes.† The argument is that the possessions of a National Established Church are of necessity national in character, and should therefore be enjoyed by the whole nation; but they are not and cannot be so enjoyed under existing circumstances, because the nation, in fact, does not belong to the Established Church. Failing then to be of national benefit as at present used, they must be applied to other purposes which clearly answer this description. Without, for the moment, questioning the propriety of applying the term "national" to the possessions of the Established Church, the claim for their redistribution

* For other remarkable examples of the necessity under which "Free" Churches lie of resorting to Parliament see Sir Edward Clarke's speech in the House of Commons, February 3, 1892.

† Liberation Society leaflet, "What Good will it do?" Another leaflet, "The Revenue of the Established Church," places it at £5,000,000.

fails, since it incorrectly assumes that the enjoyment of the benefits of Church property is denied to persons desirous of participating. The fact is that any exclusion therefrom is a purely voluntary act, resulting from conscientious or other convictions, scruples, or reasons. To Churchmen who do not regard the property of the Church as national, but as held in trust to carry out the desires of pious donors and founders, there appears to be no right of enjoyment by those who cannot fulfil the terms of the trust, or subscribe to the conditions of participation. Churchmen do not consider it an injustice to be excluded from sharing in the endowments of Nonconformity.

THE CLAIM OF "NATIONAL" PROPERTY.

But the whole question turns on the accuracy of the term "national" as applied to the property of the Church, and even Nonconformists concede that more recent endowments are entirely "private" in character. The "national" endowments, they allege, are those of more ancient date, principally tithes and glebe-lands. Around the origin of tithes controversy has raged. The Disestablishment Party seem indeed to have recognised that in the first instance they were a voluntary gift, but they assert that later tithes acquired the character of a compulsory levy; and since their payment was enforced by the State they became in effect a State tax.* The compulsion exercised by the State, however, was no more than that of ensuring that the legal conditions attached to the ownership or tenancy of certain land were satisfied. The original owner, in fact, voluntarily gave away a portion of the value of his land, not in a capital sum, but in the shape of an annual

* "It was an arguable position to take up that although tithes became a compulsory tax after a certain date, they were originally a voluntary obligation, and were given by private persons out of their own resources" (Mr. Asquith, House of Commons, June 17, 1895). The Report of the Welsh Church Commission, signed by seven out of the nine Commissioners, states: "We think it is not our duty to attempt to perform the almost impossible and very controversial task of ascertaining the historic legal origin of Church property which includes property of such ancient origin as glebe-land and tithes" (Cd. 5432, i. p. 7).

grant, and it was a necessary obligation upon his successors to fulfil the terms of the gift. That is the nature of the tithe, and it is erroneous to represent it as a charge imposed by the State for the upkeep of the Established Church. And even if the Church failed in any measure to fulfil the conditions of the grant, far greater would such failure be under any possible arrangement succeeding disestablishment. Not the strongest opponent of establishment will at any rate deny that the proceeds of the tithes were to be devoted to religious purposes. But under a Disestablishment Act they would be applied to purely secular needs. If indeed the Established Church's claim be disallowed, the intentions of the original tithe-payers would be better interpreted by the dedication of their endowments to the subsidiary educational and quasi-religious requirements of the Church. This, however, would involve "concurrent endowment," a system which is entirely obnoxious to Nonconformists and at variance with the secular solution of the educational question, which they favour.

THE PARTICULAR CASE OF WALES.

The arguments of the Disestablishment Party, which have been so far examined, are of general application to any Established Church, but as has been already stated, the disestablishers have chosen to deliver their first attack against the Church in Wales, because they believe that there are secondary reasons, which make the prospects of success brighter in the Principality. The principal arguments advanced for Welsh Disestablishment, apart from those of general application, are: That the Welsh people, by an enormous majority, demand it; that the Church in Wales is an "alien" Church, the Church of a minority, out of touch with the people, and an obstacle to the development of the spirit of true religion.

THE "MAJORITY" ARGUMENT.

The assertion that the majority of Welsh people demand disestablishment is usually based upon the ground that Wales returns a majority of Liberal members to Parliament. This

evidence is, however, valueless if it can be shown that disestablishment occupied little or no place in the programme of these politicians. An examination of the election addresses issued by supporters of the Government in Wales shows that only eight out of twenty-one referred at the last General Election to disestablishment. Since candidates generally are by no means reluctant to refer with approval to public questions, which are likely to gain votes, there is little proof here that the question of disestablishment was in their eyes one of surpassing interest, and exceptional urgency. But even if Wales were almost, or even quite, unanimously in favour of disestablishment, opponents of this policy could not admit that the fact in any way justified the act. They maintain that the establishment in Wales cannot be singled out for attack and made the subject of separate legislation, but that the Established Church forms one inseparable whole, and must be so regarded in all matters affecting its endowments, and its relations with the State. Nor, taking into account the opinion of the whole country, can they allow that there is any general movement in favour of disestablishment.*

THE "ALIEN" CHURCH.

To the Disestablishment Party the Church in Wales is an "alien" Church—"the Church of England in Wales." To Churchmen it is "the Church" in Wales, whose history can be traced back to a period before there was an England or a Church of England. They maintain with considerable force that the Established Church in Wales is neither a Welsh nor an English Church, but that it existed long before there were such nationalities as English and Welsh.

It is unfortunate for the disestablishment case that the borderline between England and Wales which they seek to set up in respect of the Established Church has no existence either in that behalf, or in the case of the Free Churches. In the

* Of 210 Government candidates in England, who were returned to the 1911 Parliament, only four referred to disestablishment, and six in a vague and meaningless manner to "religious liberty."

Established Church there are three dioceses whose centres are in England with eleven parishes entirely in Wales, and thirteen parishes partly in England and partly in the Principality. On the other hand, fourteen parishes in the diocese of St. Asaph are entirely, and four partly, in England. Moreover, Welsh Nonconformity is represented on the National Free Church Council of England and Wales, and neither possesses nor desires a separate organisation for Wales.*

The Church in Wales is not a separate Church ; the confident assertion that it is that of a small minority has been shaken by the results of the Welsh Church Commission, and although the Nonconformists have declined for their part to conform to a religious census, from such figures as were given before the Royal Commission the deduction can safely be made that the Established Church is by far the largest religious body in Wales.†

THE IRISH ANALOGY.

On the ground that the Church in Wales is that of a minority, the Disestablishment Party justify their policy on the analogy of the Irish Church. That the two cases are analogous was vigorously denied by Mr. Gladstone, who declared that it was impossible to compare the severance between the Established Church and the Nonconformists of Wales with the severance between the members of the Irish Establishment and the Roman Catholics of that country There was a strong and sharp antagonism between the Established Church and the Roman Catholic Church running through Ireland, and that ecclesiastical antagonism was complicated and embittered by inter-mixture with political questions even graver than the ecclesiastical controversies of

* For details of specific Nonconformist denominations see the Memorandum of Archdeacon Evans and Lord Hugh Cecil (Report of Welsh Church Commission, Cd. 5432, i. pp. 88-89). They point out that the dividing line is linguistic rather than geographical.

† Cd. 5432 i. p. 20. The figures of communicants given by the different denominations are the subject of considerable criticism, and are not generally accepted by the combatants. For the Church's case, see leaflet 202 of the Central Church Committee.

the country. . . . It would be a gross exaggeration to say that anything like a resemblance of the general position exists between Wales and Ireland or in the attitude of the members of the Church in Wales, on the one, and the members of the Nonconforming bodies, on the other hand. It would puzzle a theologian to define the doctrinal differences between the Established Church and Nonconformity, and the clergy of the Church in the country districts are the trusted friends, and indeed not seldom the spiritual advisers, of dissenters, with no chapel at hand. There is little that is doctrinal in the dispute and little that is religious. It is with equal difficulty that the inquirer in Wales can discover in what articles one, differs from another, Free Church, and wherein either or all of the Free Churches differ from the Established Church. Again, the religious differences of Ireland had their root in the ancient history of the country, while such as exist in Wales are of modern growth." "It would," Mr. Gladstone declared, "be a most precipitate and erroneous conclusion to assume that there was a substantial identity or similarity" between the cases of the Irish Church and the Church in Wales.*

AN ADVANCING CHURCH.

The remaining special arguments for Welsh Disestablishment are that the Church in Wales is out of touch with the people and an obstacle to religious progress, but whatever grounds there may have been in the past for these charges, they have now disappeared. Indeed, Mr. Asquith himself has said that "everybody knows that during the last seventy years, at any rate in the Church of England and Wales, there has been opened a new chapter—a new, beneficent, and fruitful chapter—in their history."† The evidence given before the Welsh Church Commission fully bears out this view,‡ and shows that the Established Church, faithfully discharging

* House of Commons, May 24, 1870 (Hansard, vol. 201, pp. 1291-9).

† House of Commons, April 21, 1909 (Parliamentary Debates, p. 1528).

‡ See Report, Cd. 5432, i., especially pp. 17, 20-22, 43-44, 51-52, and the memorandum of Archdeacon Evans and Lord Hugh Cecil.

its duties, is admittedly growing and extending in influence, but that it is comparatively poor, notwithstanding the possession of endowments and of voluntary contributions. Where then can be found adequate justification for impairing its position and confiscating a large part of its income? Such proposals, if put forward on purely secular grounds, would at least be intelligible, but when advanced in the name of religion, and in respect of an area wherein it is admitted that the utmost endeavours of all religious communities are necessary to combat a growing indifference, and to carry out a true Christian programme, they appear so little adapted to effect these ends as to render them suspect on the score of sectarian prejudice, worldly jealousy, or religious odium. Nevertheless there are multitudes of honest men and women in Wales and elsewhere, who accept the case against the Church as an article of faith, which needs no proof. Impartial inquiry and accurate statistics have till the present time been wholly wanting, and the report of the Welsh Church Commission, while throwing a flood of light upon an obscure subject, conclusively proves that further investigation is needed before religious reformers can ride forth, in that character at any rate, to destroy an ancient but newly invigorated and now virile and efficient Church.

ARGUMENTS FOR AND AGAINST DISESTABLISHMENT AND DISENDOWMENT.

FOR.

1. An Established Church occupies a position of privilege, which is unjust to other religious communities.
2. Its endowments are rightly national property, which should not be used for the benefit of one denomination, but ought to be enjoyed by the whole nation.
3. The Bishops of the Established Church, alone of all the leaders of religious thought, have seats in the House of Lords, and can take part in the legislative functions of that Chamber.
4. The clergy of the Established Church have a practical monopoly of public ecclesiastical appointments.
5. Those who hold office, rank, and emolument in the Established

Church are placed by law in a favoured position in comparison with that occupied by the members of other religious communities.

6. It is neither reasonable nor right to inflict disabilities upon some, and confer privileges upon others, in respect of their religious beliefs.

7. Disestablishment and disendowment would remove these injustices and give to the nation what was intended for the national benefit. Establishment is an artificial barrier, dividing the nation into two camps, and is therefore prejudicial to national unity.

8. Disestablishment will remove an obstacle to the cordial co-operation of religious bodies in the interests of moral, social, and national progress.

9. Establishment maintains in existence a class which, being itself privileged, is the natural ally of privilege and monopoly, and a hindrance to social and political reform.

10. Disestablishment, by producing religious equality, will give freer play to the religious, and intellectual strength of the nation.

11. Establishment prevents the Church from managing her own affairs; the appointment of Archbishops, Bishops, and many of the clergy is in the hands of the State; Parliament controls the doctrine, discipline, and ritual of the Church.

12. Disestablishment will set the Church free from the bondage of the secular power; by so doing it will immensely encourage the growth of her spiritual life, and enable her to terminate internal troubles which at present retard her spiritual growth.

13. Disestablishment has been tried in Ireland, the British Dominions overseas, and the United States, and has proved, in each case, to be a great blessing.

14. It is, therefore, demanded in the highest interests of the individual, the nation, and the Church itself.

15. It is, moreover, especially urgent in Wales, where the majority of the inhabitants have repeatedly declared themselves in favour of it through their elected representatives.

16. The injustices of establishment are especially pronounced in Wales, since the Church is not only "alien" in its character, but represents a mere minority of the inhabitants, and has shown itself to be incapable of appreciation of, and of association with, national feeling and sentiment.

AGAINST.

1. That the State should have nothing to do with religion is a purely secular argument, which should not be advanced by any professing Christian, whatever his creed.

2. It has yet to be proved that where there is no Established Church the religious and spiritual life of the nation is stronger. There is evidence, on the contrary, to the opposite effect.

3. Establishment does not involve religious inequality; it prevents no man from following his own religious line.

4. Many of the outward signs of Establishment—for instance, the presence of the Bishops in the House of Lords—are not essential to the existence of an Established Church.

5. Disestablishment would not abolish the power of the State and Parliament over the Church; the Free Churches have to go to Parliament whenever they desire to obtain legal sanction for changes in their constitution.

6. There is no reason to think that disestablishment would be a step towards reunion; and, as it would be bitterly opposed by Churchmen, its adoption would leave behind a feeling of injury, which would prevent their future co-operation with Free Churches.

7. The real object of the movement is not so much disestablishment as disendowment.

8. Disendowment, by depriving the Church of a large portion of her income, would impose limitations upon her activity and enterprise, to the great detriment of the religious life of the nation.

9. Disendowment is pure confiscation, since the property of the Church is not national property and was not given to her by the State.

10. The old endowments from tithes were of a voluntary and local character; they were never part of the general public revenue.

11. They were given for religious purposes; and under a disendowment policy they would be misappropriated, in a manner wholly foreign to the original intention of the founders, for secular uses.

12. Confiscation of property by the State, always dishonourable when effected in the name of religion, would have a superlatively demoralising effect on the whole religious life of the nation.

13. The possessions of the Church are trust property, and while she is faithfully discharging the conditions of the trust she should not be deprived of them.

14. The arguments directed against a policy of disestablishment and disendowment apply with equal force to the Church in England, and there is no difference of any kind between Church property in Wales and Church property in England.

15. The Church in Wales is a vigorous and growing organisation, the most progressive and numerically the largest of the religious denominations in the Principality.

16. It is not an "alien" Church, but can show a continuous history dating from an early period before there was an England or a Church of England.

17. There is no justification for separating the Church in Wales from the Church in England. Nonconformist denominations do not recognise the division between England and Wales, but form one body for England and Wales.

18. The Church in Wales is a poor Church, but her endowments enable her to do much needed work which Nonconformist bodies are unable to undertake.

19. In many country parishes the Church alone maintains a resident minister of religion. Disendowment would so impoverish the Church that many of these parishes would be deprived entirely of a resident minister of any religious belief.

20. This would be a great setback to religion, and would be deplorable at a time when there is a general tendency towards indifference in religious matters, which it requires all the efforts of all Churches to overcome.

21. The failure of Nonconformists to provide adequate maintenance for their ministers proves that endowments are necessary for the proper conduct of religious bodies.

22. The Church in Wales does not rely exclusively on endowments, but raises every year large voluntary contributions.

23. There is no evidence of an active general demand from Wales for Disestablishment and Disendowment other than such as is, on insufficient grounds, deduced from the fact that the large majority of her parliamentary representatives are in favour of this policy.

BIBLIOGRAPHY.

Literature and information relating to disestablishment and disendowment generally, and to the question as applied to Wales can be obtained from the Liberation Society (Caxton House, Tothill Street, Westminster, S.W.) and the Central Church Committee for Defence (Church House, Westminster, S.W.). The former body is in favour of, and the latter opposed to, disestablishment and disendowment. The case for and against is stated in the memoranda of individual Commissioners which are attached to the Report of the Welsh Church Commission (Cd. 5492, i., of 1900), the main report of which is a colourless document, while the supplementary memoranda are full of vigorous criticism and refutation of opponents' statements, and illustrate the impossibility of arriving at any agreement. The Liberation Society have issued an official handbook, "The Case for Disestablishment," which presents their policy in a convenient form. The classic work against Disestablishment is still Lord Selborne's "Defence of the Church of England against Disestablishment." Professor Freeman's "Disestablishment and Disendowment" is also valuable. So far as Welsh Disestablishment alone is concerned, the case for its support is presented in Howard Evans's "Case for Disestablishment in Wales," published by the Liberation Society. The case against is given in "The Churchman's Shield," by L. J. James and W. E. Evans, published by *The Western Mail*, Cardiff, which also issues a reprint of two speeches by the Bishop of St. David's on "The Principles of the Welsh Disestablishment Bill." The Central Church Committee issued an edition of "The Welsh Disestablishment Bill, 1909, with Explanatory Notes," by R. W. Fowell and L. G. Dibdin.

CHAPTER XII

FINANCE AND TAXATION

WHILE the Chancellor of the Exchequer is the Minister who has to raise the revenue required for carrying on the administration of national and Imperial affairs, and is bound to see that the two principles of economy and efficiency are observed, each Minister is, of course, primarily responsible for the proper expenditure of his own department. The Chancellor chiefly comes before the public as the Minister whose duty it is to obtain the nation's revenue. The schemes of taxation he may propose should be just and fair, and must not unduly burden any one class or industry. He should raise the revenue in a manner which is economical and certain of producing favourable financial results ; and so long as Great Britain adheres to its policy of free imports, he must not place on imported articles any burden, which is not also placed on home-manufactured articles of the like nature.

THE REVENUE TARIFF.

With the single exception of the last condition, these are principles which ought to govern all proposals for taxation in every country. But no Power of the first class other than Great Britain restricts its Finance Ministers in respect of the taxation of foreign goods. Tariff Reformers think that with expenditure increasing by leaps and bounds, and without regard to income, it is time that foreign-manufactured articles were taxed on their importation into Great Britain, and such taxation may partake of a double character. If a high tariff be imposed upon imported foreign goods the intention is not to raise revenue, but to shut out the foreign article. If the imposition of the duty is successful in this behalf the fact

should not be overlooked that the home manufacturer, being in consequence secure in the possession of the home market, is more prosperous and better able to pay whatever taxes may be imposed upon him. Tariff Reformers, however, do not advocate a policy of Prohibition, but the imposition upon foreign imports of a tariff which, while it protects home manufactures from unfair foreign competition, also provides for raising revenue. They believe that with an annual importation of foreign-manufactured goods worth from £130,000,000 to £150,000,000, an average tariff of 10 per cent., while it might have some little protective character, would bring into the Treasury several millions of revenue. Other countries supplement their resources in this manner, and but for our allegiance to the policy of free imports nothing stands in the way of the levy of similar duties in Great Britain. The objection that the cost of collection of such duties is high out of all proportion to the revenue realised, is refuted by statistics, which prove that in Canada, Australia, and the United States the cost per cent. of collection of Customs duties is no higher than in this country.*

THE "HIGHER PRICES" OBJECTION.

A more weighty criticism is that the price of an article produced at home is invariably and necessarily raised to a figure equal to the price of the foreign article plus the amount of the tariff. In other words, the consumer pays out of all proportion to the amount received by the Treasury. But if the tariff be low, this is not the case, as was conclusively proved when the shilling duty was levied on foreign wheat in 1902.† Indeed, Tariff Reformers assert that a revenue

* United Kingdom, 3·8 per cent. of the revenue; U.S.A., 3·3 per cent.; Canada, 3·2 per cent.; Australia, 2·7 per cent. ("Speaker's Handbook," Tariff Reform League, p. 231).

† Speaking in the House of Commons on the Finance Bill on June 9, 1908, Lord St. Aldwyn, then Sir Michael Hicks-Beach, said, "Has the tax increased the price of bread? If it had increased the price of bread, one thing is certain, that a rise in the price of bread would have been, I might say, universal, or at any rate very general. All that has happened is that in some places the bakers took advantage of the tax to do what

tariff would be a boon to the consumer, because to a great extent the tax would fall on the importer, and not as now wholly upon himself. In the case of tea, for instance, the whole supply is taxed, and the cost is accordingly raised to the consumer by the whole amount of the duty. But if only foreign tea, or any other foreign article were taxed, and the import was moderate in amount, competition with the untaxed home or Empire-produced article of the like nature would prevent an increase of price, and would even result in the tax being borne by the foreign importer out of his profits. These contentions of the Tariff Reformers are supported both by economists* and by practical experience.† When, moreover, opponents of Tariff Reform assert that import duties would impose a heavy burden on the poor, they ignore the importation of manufactured luxuries such as silks, motor-cars, hats, artificial flowers, fancy Parisian goods, clocks, watches, musical instruments, and jewellery, which find purchasers only among the wealthy classes.

TAXATION OF NECESSITIES.

Contrasted with these possible sources of taxation how circumscribed is our present system, which, in the words of the Prime Minister, forces every single one of the necessities and simple comforts of life, with the exception of bread, to

they had long been meditating for other reasons, namely, to increase the price of the loaf for a temporary period, while in other places there was no rise at all." The average price of wheat during the two years 1902-3 was 28s. 10½d. per quarter. In the five previous years it averaged 30s. 6d.; in the five succeeding years 32s. When the duty was levied the price was less than in the five years before and the five years after its collection.

* See Chapter VI. "Trade Relations," p. 193, footnote.

† *The Ironmonger* (October 2, 1909) gives the current prices of finished iron and steel in N.E. district of England: Iron angles, home trade, £7; export, £6; tees, home trade, £7 15s.; export, £8 10s.; steel bars, home trade, £8 2s. 6d.; export £5 10s.; angles, home trade, £5 7s. 6d.; export, £5 5s.; rails, home trade, £5 5s.; export, £5 2s. 6d. The existence of two scales of prices shows that to get into foreign markets the British manufacturer has to reduce his price; in other words, to pay the whole or a proportion of the duty.

contribute its quota to the national revenue.* Tea, sugar, tobacco, and alcoholic drinks of all kinds are taxed, the consumer pays the whole amount and under this system a man or woman escapes taxation not because of poverty, and contributes to the revenue not because of riches, but because his or her personal predilections lead to abstention from or indulgence in alcohol or tobacco. This injustice would not be so much felt if so large a proportion of the revenue were not obtained from these sources.

BASIS OF TAXATION TOO NARROW.

The necessity for broadening the basis of taxation, always asserted by Tariff Reformers, is now being proved by the results of Mr. Lloyd George's Budget of 1909. It is an established principle of general application that excessive duties on particular articles discourage consumption and promote evasion, whereby in both cases the revenue suffers. The ideal principle of national taxation is found in moderate duties spread over a considerable area, rather than in excessive duties confined to a limited sphere.

But so far as British finance is concerned, considerably over three-quarters of the tax revenue of £151,955,000 is raised from no more than four sources :

Alcohol and liquor licence taxes	£35,162,000
Tobacco taxes 	17,850,000
Estate duties 	25,150,000
Income tax 	44,800,000
	<hr/>
	£121,962,000

While every tax is objectionable in its degree these four heads of taxation are open to particular objection.

The duties on alcoholic liquors and tobacco are taxes

* "We do tax tea. We do tax sugar. We do tax beer. By this Budget [of 1909] we are proposing additional taxes on tobacco and spirits, and, with the exception of bread, there can hardly be said to be a single one of the necessities or simple comforts of life which is not made to contribute its quota to the national revenue" (Mr. Asquith, M.P., House of Commons, June 10, 1909).

depending upon an individual's habits, and they leave another person, whose tastes lie in other directions, entirely untaxed. Nor do they fall upon those taxed in proportion, to their ability to pay. Indeed, their incidence is actually heavier upon the less wealthy than upon the rich.* A further and most serious objection is that the tax is out of all proportion to the cost of the article. †

LIQUOR LICENCES.

But the principles of just taxation are particularly outraged by the duties on liquor licences. No tax should so unduly burden the payer that he is in consequence prevented from following his calling or profession, but the licence duties on public-houses are imposed with the object of making it unprofitable, if not impossible, for the licence-holder to continue to trade. The Licensing Bill of 1908 was introduced as a measure of temperance and social reform. It proposed to effect its purpose by reducing the number of public-houses upon terms which were little short of confiscation, and when the Bill was lost in the House of Lords the Government, angered at its loss, determined to effect by taxation what they could not obtain by legislation.

REVENGE, NOT REVENUE.

With that intention what the Lord Advocate of Mr. Asquith's Government described as "swingeing" duties were placed upon licensed premises. Incidentally revenue was obtained; but the real reason was to reduce the number of licences by making many of them unprofitable to hold. Fierce protest was made against this system of spoliation, but without effect. The principle of confiscation by taxation has now been introduced into our finances, and another Government

* Of £1 spent on whisky 9s. 3d. is represented by the tax, on champagne 9½d., on tobacco 11s., on cigars 1s. 8d.

† Whisky costs about 1s. 3d. a gallon at the distillery, and the duty amounts to 14s. 9d. a gallon. There is a similar disproportion between the original cost of tobacco and the amount of the duty, especially in respect of the less expensive varieties of the leaf.

more Socialistic than that of Mr. Asquith's may easily extend its application to other kinds of property, the holding of which it believes to be harmful to the State or to the Radical party, as the case may be, and the title to which it may represent as being no more unassailable than that of the publicans to their licences. Meanwhile the spectacle is presented of a Government raising a large revenue from a trade which, to use a Cabinet Minister's expression, "had damned many a human soul"! * Arguing from this analogy every Indian peasant who ever cultivated a poppy is a son of Belial, and indeed he, like the seller of a glass of beer, is being taught to wonder whether it is self-"righteousness which exalteth a nation."

TAXATION OF CAPITAL.

To criticise these duties, however, is to incur the condemnation of Radicals as the publican's friend, and to criticise the death duties is to suffer the suspicion of being a friend of dukes and an enemy of the people. To the principle of the latter duties little objection is now offered, and when, upon the occurrence of a death the whole estate of the deceased is being valued, a convenient opportunity occurs for assessing and for collecting taxation. Unionists as well as Liberals have alike made use of this method of raising revenue. But, admitting the convenience and the justice of this kind of taxation, it is impossible to accept the many absurd exaggerations connected with it which are current in certain circles, wherein it is defended as a tax upon the rich. Though the rich may pay the tax it is not they alone who feel its incidence, for whatever amount a rich man pays in taxation he has that much the less to spend upon objects which, while they add to his own comfort, at least give employment to many others, and promote the circulation of wealth. The effect of such taxation is thus felt by other classes, but opposition to-day to the death duties arises from the fact that the rate is so high as to induce the export of capital from England to other countries. Death duties must

* Right Hon. W. Runciman, M.P., Southampton, August 31, 1909.

be considered together with the income tax, which much the same classes are called upon to pay, and, of all countries, Great Britain alone levies a high income tax and high death duties. In France there are moderate death duties and no income tax ; in Germany an income tax but no death duties ; and in Italy a high income tax in theory only and moderate death duties ; while in Great Britain there are income tax, death duties, and super-tax.*

ITS EFFECTS ON INDUSTRY.

The effects of these heavy burdens on capital are viewed with profound distrust by men of business and by financiers, but inasmuch as the death duties are not annual imposts, but fall at uncertain intervals, their economic effect cannot immediately be appreciated. It is regarded, however, as certain that taxes of this class will not be paid out of income, but out of capital, and if this should prove to be the case the nation is in respect of them in the position of a spendthrift who is wasting his patrimony. High income tax and super-taxes, again, are annual charges paid out of capital. Excessive taxation of capital must in due course conclude with disaster and bankruptcy, and the withdrawal of money invested in industry to pay death duties reduces the employment fund of the nation, and *pro tanto* increases unemployment.

INCOME TAX.

Death duties are a tax on industry of uncertain, and income tax is a tax on industry of certain, incidence. The latter impost has become part of the ordinary taxation of the country † in time of peace, and is collected at a rate per pound which would have horrified the inventors of what was originally imposed as a war tax, and the strongest advocates of which would only have supported a low rate at other times. Many,

* See on this subject a letter by Sir Alexander Henderson, Bart., to *The Daily Graphic*, Oct. 19, 1911 ; and an article by Sir Felix Schuster, Bart., in *The Nineteenth Century*, July, 1909.

† "It must now be regarded as an integral and permanent part of our financial system" (Mr. Asquith, House of Commons, April 18, 1907.

indeed, would have entirely abolished the tax when no war bills had to be paid. Mr. Gladstone on three occasions endeavoured to bring about its abolition, considering that "so long as it was part of the ordinary revenue it was impossible to think of effective and extensive economy."* Even so late as 1887, he wrote of it as direct taxation "of a kind most vexatious to trade and industry,"† at a time when the rate was no more than sevenpence in the pound. To-day the normal rate is 1s. 2d., which with certain abatements may be reduced to ninepence, and by super-tax increased to 1s. 8d. The most disquieting feature of the case is that this tax, which was regarded as a reserve for times of war, now stands in time of peace at a rate as high as it formerly attained during warfare.‡ The old days, when sixpence was the normal rate, and lower figures, down even to twopence, were not unknown, will never recur. In any future war Great Britain will probably have to regard with such equanimity as she may be able to exhibit a tax of 2s. 6d. in the pound.

As a provision for war the income tax has the advantage of supplying considerable sums of money within a short time without much difficulty. But as it is an impost which requires personal assessment, it is difficult to ensure that declarations of income are not understated, or that many who ought to pay do not escape. The returns, however, show that the net amount produced per penny of tax has risen considerably in recent years, and the inference is that more stringency is being shown on the part of the collectors.

One fault in the tax has been removed in part by the differentiation between earned and unearned incomes, which, however, stops at £3,000, and fails to distinguish between unearned income acquired by inheritance and unearned income resulting from savings for old age. Further differentiation may be possible, but the present system, with its abatements, allowances, differentiation, and graduation, is already sufficiently

* "Twenty Years of Financial Policy," by Sydney Buxton, M.P., p. 345.

† *The Nineteenth Century*, 1887, p. 395.

‡ 1856, 1s. 4d.; 1903, 1s. 8d.

complicated to puzzle most people. With a high tax provision has to be made for inequalities, which can be ignored when the rate is low. Hence arise complications which contravene one of the basic laws of taxation—that an impost should be easy and simple of application.

THE LAND TAXES.

Notwithstanding the considerable draft which was made upon the income tax, Mr. Asquith's Chancellor of the Exchequer, Mr. Lloyd George, bound by Cobdenite chains, found himself unable to provide from the existing sources of taxation for the present and future expenses of various schemes to which his Government was committed. Being one of the leaders of a party distinctly hostile to the land-owning class, he not unnaturally looked to the land to provide for his future wants. In so doing he started with the initial advantage that the land is commonly believed to be in the hands of a few rich, greedy, and grasping landlords, who extort ever increasing rents from property, which only became more valuable through the exertions of their fellow-citizens. His proposals gained further support from the representation by Radical orators of the House of Lords as a house of landlords, eager to construct Dreadnoughts for the protection of their own property, but determined for their own part not to contribute towards the cost.

These representations, however crude and ill founded, met with general acceptance, notwithstanding the fact that no sooner was a concrete case of oppression or rack-renting advanced, than it was met and demolished.

When due allowance is made for the perfervid temperament, it is passing the bounds even of political licence to describe a well-known landlord as pursuing a system of "blackmail" when even a cursory examination of the circumstances disclosed the fact that the increased rent which the agitator denounced was enjoyed wholly by a middleman. The levy of fine on renewal of leases, and the exaction of ground rents, were denounced without regard to the fact that the Government as landlords were themselves following the same policy in respect

of the Crown lands under their administration, and were only too ready to have their pound of flesh. Indeed, it is by no means the case that the Crown is the most lenient landlord.

UNEARNED INCREMENT.

The land taxes were based on the assumption, for which there is no foundation, that the land of the country is continuously and progressively increasing in value through the action of the community, and that it is right that the nation should share in the added value. The doctrine if carried to its proper conclusion would involve the confiscation of the whole, and not of part, of the increment value. That they refrained from pressing their doctrine to this length was offered by the Government as evidence of the moderate character of their demand; but the modesty and moderation of the administration did not prevent the more logical Socialists from pointing out that the State ought to take the whole increment, and that a similar course should be pursued in respect of many other kinds of property besides land.

While opponents of the land taxes did not deny that a community might by public expenditure increase the value of landed property, which was indeed already admitted by the acceptance of the principle of betterment, they protested that the particular community whose action brought it about ought alone to enjoy the increase, and that the proceeds of the tax ought not to be taken by the State to be shared equally with unconcerned, and possibly backward and unenterprising, communities. They asserted, too, with considerable force that where land had decreased in value through the action of the State or the community, provision ought to be made for compensation for decrement. They protested strongly against a tax under the operation of which a man is charged one-fifth of an increased value of any particular property while he is not allowed to set off such increase against a decrease in respect of another property. This, however, the Government declined to do, recognising as practical financiers that their platform rhetoric respecting the everlasting and omnipresent appreciation

of land values, was only relevant to particularly favoured districts, and could not be generally applied.

"SITE VALUE."

A general objection to the principle of the land taxes is that they are levied not as in the case of income tax upon a definite and ascertainable basis, but upon a wholly imaginary "site value," or value of the land reduced to the condition of a piece of bare ground. To this is given the value which it is presumed to have possessed on April 30, 1909, and any increase accruing over the amount of the original valuation, as compared with that of the occasion upon which the tax falls due is regarded as increment, and as such subject to duty. The obvious objection is taken that the land was never in the condition necessary for arriving at the valuation of April 30, 1909, and that that valuation was wholly imaginary, and a mere figment of the mind of the valuer. Indeed, since valuers are no more than human, their valuations show the most extraordinary differences. One man may place one, and another quite a different, value upon the same property. This may happen even in respect of so comparatively easy a problem as the determination of market value; and far more when so elusive and intangible a quantity has to be determined as the site value. Taxation ought not to be levied upon such uncertain and indeterminate bases, and it is already apparent that cases of gross injustice and rank absurdity are of common occurrence.*

UNDEVELOPED LAND DUTY.

But the land taxes are not to be regarded only as a means of raising revenue. Their authors and supporters look upon them as instruments of social reform, though it is not easy to see why the confiscation of a portion of the added value of his land should induce the owner to lower his rents to his tenants,

* See letter from Mr. Pretyma, M.P., to *The Times* (July 15, 1911), in which he cites a case where the site value of a small house in Richmond, Yorkshire, sold for £500, was alleged to have increased from £58 5s. to £178 5s. between April 30, 1909, and September, 1910.

or interest himself in a higher degree in their comfort and prosperity. Sometimes, however, these secondary purposes are only half avowed, as, for instance, in respect of the influence of the new land taxes on land nationalisation. In the case of the undeveloped land duty, however, it is openly stated that the raising of revenue has less to do with the tax than the desire to force land into the building market by making it unprofitable for the owner to withhold it from the builder. Undeveloped land, therefore, which, in the opinion of Commissioners appointed *ad hoc*, has a building value, is to be taxed on that value to the extent of an annual halfpenny in the pound. The supporters of this impost allege that land is unreasonably held up, and that as a consequence rents are high and housing accommodation bad, though no one who has observed the enormous numbers of empty houses in our large towns can think that the demand exceeds the supply; and the existence of a multitude of land development companies is evidence that speculators are fully prepared to develop land wherever the process is likely to prove profitable. There are no doubt many cases in villages where the number of cottages could with advantage be increased. But rural housing, so low are the wages of agricultural labourers under Free Trade, gives no possibility of a return for the capital which must be expended on the erection of really satisfactory cottages. The problem, therefore, can only be solved in Great Britain as it was in Ireland, where the State lends the local authority money at a low rate of interest for the erection of labourers' cottages.

EFFECT ON HOUSING AND BUILDING.

An attempt was made when the Finance Bill of 1909 was going through the House of Commons to limit the demand for undeveloped land duty to land "unreasonably" held up, but the Government would not listen to the suggestion, and decided to treat all land having a value above £50 an acre as building land, and the owner as a fitting subject for penal taxation. The latter may not have the capital with which to develop, but he must none the less pay the tax. Years might have to elapse before the normal growth of a neighbouring

town would justify expenditure on the erection of houses, but if the Government valuer considered the value of the land to be above the limit, the owner must pay the tax; there might be no possibility of obtaining a proper return, for instance, in rural districts for the capital expended on the erection of cottages, but the owner must build or be fined.

To the ordinary man without political bias the imposition of such burdens upon the raw material of the building industry would seem to be the worst possible way of encouraging the provision of more and of better houses at lower rents. But to the supporters of these taxes they were but part of a larger policy.

NATIONALISATION THE OBJECTIVE.

They hold private property in land to be unjustifiable, and that complete justice will not be done until the land is nationalised; until in the place of many owners there is but one owner, the State. But they realise that the value of all the land in the United Kingdom is so great that the State cannot hope, on the present basis of value, to buy out the existing owners.

What more obvious plan, then, can present itself than that of reducing land values by the introduction of taxation, which can be gradually increased until land becomes an unprofitable investment, when the State can itself purchase at the valuation recorded in the books of its own valuers. The scheme has the merit, at any rate, of simplicity, though novelty is lacking, for it was long ago put forward by the prototype and namesake of the Chancellor of the Exchequer, Mr. Henry George, who pointed out that there was no necessity for the land nationalisers to confiscate the land; it was sufficient to confiscate rent. Already some of the rent was taken in taxation, and if certain changes were introduced into the system of land taxation, the State could in no long time take it all.* This easy way with landowners was expressly approved by the Socialistic wing of Mr. Asquith's Coalition Government. Mr. Lloyd George assured the land nationalisers that nationalisa-

* "Progress and Poverty," book viii. chap. ii.

tion must come, but by easy stages,* and the Lord Advocate, Mr. Ure, pointed out that the "modest-looking taxes" in the Budget "involved a principle capable of far-reaching application, and that the land of the country belonged to the nation,"† a principle which stops short, apparently, at Ministers' salaries.

Bearing in mind these speeches, and many others from the same quarter, and the temper of the majority in the House of Commons which passed the Finance Bill of 1909, the student of contemporary politics would altogether fail to appreciate the designs of the framers of the Lloyd George Budget, if he regarded the land taxes solely or even primarily as a means of raising revenue. Whether these revolutionary schemes will ever become law, time and the temper of the nation alone can show.

THE FAILURE OF THE TAXES.

The land taxes have not justified the assertions of their supporters. The staff engaged in collection has proved very costly—the amount of the annual salaries of the Land Valuation Staff in Great Britain alone being £323,380.‡ The amount collected in respect of increment duty and undeveloped land duty from the passing of the Act to November 7, 1911, was £1,950 and £13,900 respectively,§ the reversion duty also producing an unexpectedly disappointing yield. The greatest blow, however, was the judgment declaring Forms IV. and VIII. illegal, and no better than waster-paper. Some one had blundered. Many millions of copies of the forms had been circulated at great cost, and many private individuals had incurred considerable expense in obtaining professional advice for the purpose of filling in the forms, and all was in vain.

THE PROBLEM OF LOCAL FINANCE.

But the more immediate effect of the land taxes, since they will at any rate produce some return, is to deprive the local

* *Llanelli Mercury*, October 4, 1906.

† *Linlithgowshire Gazette*, June 4, 1909.

‡ *Parliamentary Debates*, November 9, 1911, p. 1956.

§ *Ibid.*, November 14, 1911, p. 191.

authorities of a possible source of future revenue.* Rates have a tendency to rise as local government becomes more efficient, and particularly as Parliament imposes new duties upon, and grants new powers to, local authorities. The local councils protest that while Parliament passes legislation enormously increasing their responsibilities, it provides no financial assistance towards meeting the additional expenses incurred, and that the cost of services which are really national is now met from local sources. That a grievance exists is generally recognised, and it is understood that the financial relations between the State and the local authorities must in no long time be subjected to revision and amendment. Indeed, so long ago as 1896 a Royal Commission was appointed on local taxation, which after thorough investigation sent in its final report in 1901.† The Commission found that the basis of local taxation was too narrow, and that personality did not sufficiently contribute to local purposes. Land contributes towards the maintenance of the poor, education, and other local purposes, while other forms of property escape. The rates are a heavy charge upon land used for industrial and agricultural purposes.‡ Indeed, there is evidence of a movement on the part of manufacturers towards the less highly rated districts, which, if it matures, must leave the forsaken localities burdened by empty buildings and bereft of employment.

A fairer division of local taxation between reality and personality is obtained in the case of certain foreign municipalities by the imposition of a municipal income tax and of

* The Government recognised this grievance by agreeing to allocate one-half of the proceeds of the land taxes to the local authorities. Later, however, they excused themselves from carrying out their pledge.

† Cd. 688. A separate minority report, signed by four out of fifteen Commissioners, recommended the creation of a special site value for the relief of local, not Imperial, taxation.

‡ Relief was given to agricultural districts in 1896 by relieving agricultural land of one-half of the rates which are payable in respect of buildings and other hereditaments, and the deficiency was made up to the local authorities out of the proceeds of the estate duty derived from personal property. Although fiercely opposed by the Liberal Party at the time, the Act of 1896 has been renewed by the Liberal Government.

municipal death duties ; but the prior appropriation by the State of these sources of revenue in the United Kingdom deprives our local authorities of this resource.

NATIONAL SERVICES PAID FOR LOCALLY.

The Royal Commission recommended as the only method by which fair play could be secured "consistent adherence to a principle which has often been put forward in discussion but to which insufficient regard has frequently been paid in practice." "That principle," the Commissioners say, "is the distinction between services which are preponderantly national in character and generally onerous to the ratepayers, and services which are preponderantly local in character and confer upon ratepayers a direct and peculiar benefit more or less commensurate with the burden. . . . A service may be called properly local when a preponderant share of the benefit can be directly traced to persons interested in the locality. On the other hand, universality and uniformity of administration is generally a mark of national service, because such administration does not confer special benefit on special places. Again, the presumption is that a service is national when the State insists on its being carried out and on a certain standard of efficiency being reached." *

"ASSIGNED REVENUES."

The services which may be considered as coming within the definition of "national" are poor relief, police, and criminal prosecutions, education, and the maintenance of main roads. The transfer to the State of the administration of these services is nevertheless out of the question. On the other hand, local authorities already receive financial assistance from the State in respect of many duties they undertake. Such assistance takes two forms—grants in aid from the Consolidated Fund, and the assignment of certain State revenues, for the performance of a specific duty, to the local authorities. The objection to grants in aid is that they encourage extravagant

* Cd. 638, p. 11.

administration, the local authorities regarding them as a little relief derived from an inexhaustible source. The late Lord Goschen, when Chancellor of the Exchequer in 1890, commenced the practice of assigning certain revenues, when he made over that derived from the additional beer and spirit duties, to the local authorities for a particular purpose—technical education—and the Royal Commission on Local Taxation recommended an extension of this system of assigned revenues as affording a broad and sound principle for relieving local authorities of payment for national services.

RECENT DEVELOPMENTS.

Since 1901, when the Commission reported, changes have taken place in the relations between the local authorities and the State. It is asserted that the cost of the poor law will in due course be lessened by the operation of the Old Age Pensions Act, and is immediately affected by the inclusion in the benefits of that Act of the paupers who were disqualified until January 1, 1911.* The Road Board, too, it is maintained, will by its grants for the purposes of road improvement materially relieve the local authorities of capital expenditure, which otherwise they would have to incur. On the other hand the recent crushing taxation imposed on the sale of intoxicating liquors has reduced consumption, and with it the revenue assigned, as above stated, to technical education. The assessable value of licensed premises has, moreover, been so much reduced by the operation of the Lloyd George Budget that the rates are adversely affected. It was estimated by the Government that since 1891 the annual cost to the London County Council alone resulting from various legislative enactments is over £500,000.†

* The Government estimate of the relief thus afforded to the rates is £1,500,000. See House of Commons Questions and Answers, February 27, 1911.

† See on this subject generally the Debates in the House of Commons on February 18 and 20, 1911. A small Committee has been appointed to consider developments of later date than that of the report of the Royal Commission.

THE PRESSURE OF EFFICIENCY.

Apart from increased expenditure directly caused by new legislation, there has been a general demand on the part of the State for increased efficiency, and for reforms on the part of the local authorities. The movement has been particularly apparent in regard to education, in respect of which equipments, buildings, and salaries are all rising in cost, and increasing the already very heavy burden on the ratepayer. Public opinion, expert advice, and the pressure of the officials at Whitehall all make for higher expenditure. Local administrators feel it to be a grievance that State officials can insist upon expensive reforms without a thought for the cost, while they, who have no voice in framing such reforms, have to provide for the whole of the increased expenditure. The grievance is the more acutely felt because State assistance has steadily decreased in the last twenty years, not only in respect of education, but of local government services in general.

The net result may be gathered from the increase in the annual rates in England and Wales in the ten years between 1897-8 and 1907-8 from £37,605,000 to £59,623,000; while the total which local authorities have had to provide by rates, loans, and other methods has risen from £83,627,000 to £140,107,000.

An increase of £60,000,000 in ten years in the cost of local government proves that the question, especially in its relation to the State, is one of extreme gravity. It is no party matter; indeed, Governments representing both the great parties are equally responsible. The dispute is between the State and the local authorities; with the people, perhaps, on the side of the latter, since the burden of the rates is more directly and personally felt than the weight of Imperial taxation.

ARGUMENTS FOR AND AGAINST THE FINANCE OF THE
BUDGET OF 1909.

FOR.

1. The present financial system is particularly fair, since it places the biggest burden on the broadest back.

2. It is neither socialistic nor revolutionary since, with the exception of the land taxes, recent Budgets have only provided for the natural development of existing taxes.

3. Recent Budgets have only removed the unfairness from which all other taxpayers suffered so long as rich monopolies, such as the land and liquor interests, did not contribute their fair share to the revenue.

4. These monopolists are only now asked to pay as tax a share of the value of such part of their property as has been created by the action of the State. Although there has been increased national expenditure to meet the cost of social reform and defence no further taxes have been placed on food or on the necessities of the people.

5. The alternative is a tariff, with more taxes on food and dearer living, which would mean terrible hardships for the poor.

6. Such a tariff would spare the well-to-do and rich monopolists at the expense of the hard-working wage-earners.

7. The growth of national wealth in recent years has been so great that the chief owners thereof are well able to pay extra taxation.

8. At the same time all classes, including the lowest, have been made to contribute towards the increased expenditure by the taxes upon spirits and tobacco.

9. The allegation that capital is being frightened out of the country is a fairy tale, since no country in the world offers better security for capital.

10. The higher taxation of liquor licences is fully justified by the fact that the value of the licence is solely the creation of the State, and due to the limitation it imposes upon the number of such licences.

11. The licensed dealer's monopoly is one the value of which is not due to the industry of the holder but to the action of the State, which is therefore at liberty to extinguish the licence whenever it thinks fit.

12. There can be no question of confiscation when the State merely resumes possession of part of the property it has created and temporarily granted to licencees for expressly limited periods.

13. By reducing the number of licences and thus making it unprofitable for the less desirable houses to continue to exist, temperance is encouraged in proportion as the opportunities for drinking are decreased.

14. The scale of duties which previously to the Budget of 1909 existed was utterly indefensible, the smaller houses having to pay licence duty out of all proportion to that paid by the larger licensed premises.

15. The changes introduced in 1909 have abolished these inequalities, the proportion of licence duty to annual value being more nearly equalised for all licensed premises.

16. The present financial system has shown itself to be capable of great development and expansion without unduly burdening any class or interest or inflicting hardship upon the wage-earners by the taxation of necessities.

17. The result is a conclusive vindication of "Free Trade" finance.

AGAINST.

1. The restrictions imposed upon the Chancellor of the Exchequer by the policy of "free imports" should be removed.

2. The present basis of taxation must be broadened, since revenue is at present derived only from limited and narrow sources.

3. Taxation is, in consequence, unduly high on a few articles, which is unjust, and in the case of articles of consumption, bad for the revenue, since it limits consumption and *pro tanto* fails to provide the State with the revenue it requires.

4. The best method of broadening the present basis of taxation and raising additional revenue is the adoption of a tariff upon foreign imports of manufactured goods.

5. Other countries derive very large revenues from taxation of this character without expending an undue proportion of the receipts upon the cost of collection.

6. Whereas under the existing system the English consumer pays every penny of the taxation imposed, there is good reason to believe that under a revenue tariff the foreign importer would contribute no inconsiderable portion thereof.

7. This burden is a great hardship to the poorer classes, whose tea, sugar, and tobacco are, as the result of taxation, immensely enhanced in price.

8. The increased taxes on alcoholic liquors and licences, levied under the Finance Act of 1909, are out of all proportion to the ability of the licensed trade to pay.

9. They are unjust burdens imposed upon a particular industry because it is notoriously opposed in politics to the Radical Party.

10. The object of these taxes is to drive numbers of licence holders out of an industry in which their capital has been invested by making their business unprofitable.

11. This reduction in the number of public-houses will, it is urged, encourage temperance; but, if that object be attained, which is doubtful, the abolished licence-owners ought to be compensated for loss incurred by the extinction of the licence which represents their livelihood.

12. The excessive death duties are objectionable inasmuch as they are taxes on capital and not on income.

13. They occasion a steady diminution of capital which must inevitably disturb trade, impoverish the country, and cause unemployment.

14. The death duties are unsound and deceptive, since their effect is to conceal the amount of the revenue which should properly be raised out of the national income to meet current expenditure.

15. The fear of taxation of this character leads to the wholesale exportation of capital and to the encouragement of foreign investments at the expense of British securities.

16. The excessive increase in income tax, and the additional imposition of the super-tax, have the same effect.

17. An unduly high income tax is a burden on the trade and industry of the country, which, in the long run affects not only profits but wages.

18. Such ought only to be levied in times of great national emergency ; to maintain a very high income tax in days of peace is to deprive the nation in war-time of a reserve of taxation, which is especially efficacious in providing large sums quickly and without undue disturbance, and without the creation of new machinery.

ARGUMENTS FOR AND AGAINST LAND TAXES.

FOR.

1. Land being a necessity of human existence, the original source of all wealth, limited in extent, and fixed in geographical position, is the greatest of all monopolies. There is nothing revolutionary or novel in the taxation of land values.

2. For a quarter of a century such a tax has been discussed by Parliament and by the municipalities.

3. The principle has twice been approved by a Tory House of Commons and has been accepted by 550 rating authorities.

4. The tax is actually in operation in Australia and New Zealand, and in many important cities of Germany.

5. It has proved a good source of revenue, not costly of collection, and has stimulated the outlay of capital and use of labour.

6. It is founded upon the just principle that the increased value of land, due entirely to the action of the community, should accrue to the community and not go into the pocket of the private owner.

7. In large cities land values reach fabulous figures without any outlay on the part of the owners, but as a consequence of the enterprise and industry of the community and of the expenditure of public money upon improvements. Such land values are clearly an unearned increment and a very proper object of taxation, which in that case takes nothing from the private individual resulting from his own expenditure, or his own exertions, but only appropriates for State purposes wealth created by the State.

8. The value of buildings and of improvements of all kinds due to the expenditure of the owner is carefully excluded from taxation.

9. The increase in the bare site value of the land alone is the subject of taxation.

10. Generous provision is made to obviate all possible hardship ; only 20 per cent. of the increment is taken ; the first 10 per cent. on each

occasion of the levy of the tax goes free ; the duty may, in certain cases, be paid in instalments ; small house-owners and small-holders are exempted.

11. Decrement is allowed for, and protection is given to the owner whose land has fallen in value during the last twenty years, inasmuch as he is permitted to value at higher rates than the market value.

12. Agricultural land, being the raw material of the farmer, is specially safeguarded from taxation.

13. The taxation of undeveloped land, which has a building value and is withheld from the building market, is a just burden on the owner who holds it up for a rise in price.

14. Any increase in value is due entirely to the action of the community, and it is therefore only right that the owner should pay the State, *i.e.*, the community, a portion of the increasing value, which, for private reasons, he omits to realise.

15. His conduct is detrimental to the community, which he should therefore recompense for an omission which is generally induced by hope of greater future gains.

16. Taxation of land values only places the holder-up of land on a level, in respect of taxation, with the enterprising owner, who develops his estate and is taxed accordingly.

17. Owners of valuable unused land will thus be unable to escape from paying some share of the public burdens, and their taxation, by reducing the revenue which has to be made up by their industrious and enterprising neighbours, will remove a grievance and injustice.

18. Since the levy of these taxes will make it no longer profitable for owners to obstruct industry and restrict employment by refusing to allow development of their land or by demanding prohibitive prices and rents, building operations must receive a considerable impetus.*

19. Owners will now either have to pay the tax or offer their land for development at reasonable prices. Thus land will be forced into the market.

20. And thus competition will bring down the price ; houses and factories will consequently be cheaper ; the housing question will be nearer solution, and industries will be relieved to a great extent of the dead weight of ground rents and high land prices by which they are now burdened.

21. The valuation of all land, which is a condition of the imposition of these taxes, will also be a useful and necessary step towards the reform of the rating system.

22. The register of valuation will become the normal basis for purchase by local authorities, and will render impossible the demand of unfairly high prices for land required for public improvements.

* Experience has already proved this expectation to have been ill-founded.

AGAINST.

1. The taxation of increment in land is unfair, unless increment in other forms of property is also taxed. If land is limited in amount so is every other kind of property, nor does it differ from gold, silver, and other things in being other than the creation of human industry.

2. It is unjust to single out one form of property for taxation.

3. The taxation of land values is the first item in the Socialist scheme for confiscating the value of all forms of private property by taxation.

4. It is only a preliminary to land nationalisation, which it seeks to attain not by paying a fair price for the land but by reducing its value by taxation until it is either not worth keeping or obtainable by the State for a very low price.

5. The individual under State, would be in a far worse position than under private ownership; the land would be managed by officials who would be bound by bureaucratic methods and only interested in procuring money for the State; no indulgence such as they now obtain from private landlords would be shown when tenants were in difficulties.

6. The capital value of the land has already been reduced by the amount of the capitalised value of the tax, and in consequence the security of mortgagees, who are the small investors in building societies, has been very much reduced.

7. Such assets of friendly and insurance societies as are represented by ground rents—and they are a very considerable proportion—have been much depreciated in value as a result of the imposition of these taxes.

8. The land taxes produce now, and will always produce, but little revenue, since the value of land is not generally and continuously increasing.

9. In specially favoured localities it may increase in value, by no means always in consequence of the action of the community but by the construction of railways, or by the enterprise of private individuals in establishing new industries.

10. If increment is taxed, allowance should be made for decrement caused by the State or the community, and no such allowance is really made.

11. It is unjust to take away part of the increased value of one, and to leave the owner to bear the whole of the decreased value of another, piece of land.

12. Land is not the monopoly of a few owners, but is directly, and indirectly through investment in friendly and building societies and insurance companies, in the ownership of millions, the vast majority of whom are by no means wealthy.

13. The small savings of thrifty people who have invested in such companies and societies will be therefore subject to increased taxation.

14. The leasehold system, which is denounced by landtaxers, enables

houses to be erected at a lower capital cost than would be possible if the land had to be bought outright.

15. There is no more reason for taxing a man on his profits when ground rents fall in than there is for taxing the profits of any other legal investment upon their receipt.

16. Land is not unreasonably held up from building; on the contrary, as is shown by the many empty houses in our large cities, the tendency is to over-build.

17. It is unfair to tax land, not actually ripe for building purposes, which cannot be profitably developed.

18. The undeveloped land duty is a penal tax which landowners will have to pay, if they will not embark upon speculative schemes of building for which there is no real demand.

19. Site value being no real value, but being only fictitious and dependent entirely upon the valuer's personal opinion, is no proper basis for taxation.

20. Agricultural land is only nominally, and not really, exempted from the new taxes, to which it is subject as soon as its value rises above £50 an acre.

ARGUMENTS FOR AND AGAINST TAXING MINING ROYALTIES.

FOR.

1. Mining royalties are a very proper subject of taxation, since they are entirely unearned by the recipient.

2. The royalty owner does nothing to develop the minerals. He merely receives the fruits of the industry of others.

3. When the miner suffers by the receipt of lower wages the owner still receives his royalty in full.

4. Royalties are a tax on industry, which no private individual should be allowed to exact.

5. This toll of the monopolist often exceeds the amount received as wages per ton by the miner, and it is therefore a better subject for taxation than incomes earned by labour.

AGAINST.

1. Minerals are a form of property, and the owner ought not to be called upon to pay, upon the royalty he receives, an additional tax, which rents and profits from other forms of property escape.

2. Minerals are moreover a wasting property, and are for that reason the worst subject for special and extra taxation.

3. Royalties do not escape taxation, but are subject to income tax like rent derived from other forms of property.

4. Royalties are not excessive in this country, and have not prevented the most extensive mineral development or interfered in any way with industrial expansion.

5. The tax on mining royalties is a burden imposed on a particular class *quid* class, which is not shared by other classes, and as such violates the governing principle, that ability to pay, and not the source of receipt, creates liability to taxation.

BIBLIOGRAPHY.

The growth of national expenditure is treated and deprecated, perhaps not altogether without savour of partisanship, in "The National Expenditure of the United Kingdom, with a preface by F. W. Hirst"—a pamphlet published by *The Economist*. Another useful publication explaining our financial system is "The King's Revenue: a Handbook to the Taxes and the Public Revenue," by W. M. J. Williams.

The Budget of 1909 was productive of many publications and much political literature of an ephemeral character. Its principal features are amply discussed and explained in the publications of the political parties. Among other pamphlets may be mentioned: "The Budget, the Land and the People," with a preface by D. Lloyd George, M.P., and "The Case against the Budget," by P. G. Cambray. Publications relating to the licensed trade are dealt with in the Bibliography attached to Chapter XIV.—Social Reform. The taxation of land values is supported in the publications of The United Committee for the Taxation of Land Values (Broad Sanctuary Chambers, 20, Tothill Street, S.W.), and opposed in the publications of The Land Union (St. Stephen's House, Westminster, S.W.). An excellent summary of the evidence given before the Royal Commission on Local Taxation is found in Wilson Fox's "Rating of Land Values."

For the relations between the State and local authorities in respect of finance the Final Report of the Royal Commission on Local Taxation, Cd. 688 of 1895, should be consulted. Reference should also be made to "National and Local Finance," by J. Watson Grice.

CHAPTER XIII

SOCIALISM

ONLY a few years ago the popular conception of the Socialist was that of a fanatic, ill-dressed, long-haired, and red-tied, preaching revolution and republicanism, mouthing strange doctrines respecting "equality of opportunity," "increasing misery," "surplus value," "class consciousness," and so on, and holding peculiar views on marriage and family life. The picture was not entirely an effort of the imagination, and this type exists even to-day. But public opinion regards those who conform to it as an almost negligible quantity, and treats them therefore with good-humoured toleration. Opponents of Socialism look upon the evolutionary Socialist as the more dangerous character, and direct their attack against his plan of campaign.

REVOLUTIONARY SOCIALISM.

Revolutionary Socialism in Great Britain possesses organisations representing various degrees of extreme opinion, the largest, but not perhaps the most virulent, being the Social Democratic Party,* the programme of which is sufficiently thorough to satisfy all except those holding the most violent views. So far as its economic doctrines are concerned, it gives a loyal adherence to Karl Marx, and among its immediate reforms are the abolition of the Monarchy, the repudiation

* Others are the Socialist Party of Great Britain, and the Socialist Labour Party. The Social Democratic Party is to become the British Socialist Party in the near future; but the present and better known name has been retained in this chapter. *Justice* is the weekly, and the *Social Democrat* the monthly, organ of the Social Democratic Party, which also issues an annual publication. The Twentieth Century Press, 37A, Clerkenwell Green, E.C., is its printer and publisher.

of the National Debt, the institution of a cumulative tax on all annual incomes over £300, and a minimum wage of 30s. a week. It preaches the "class war," and intends, if it can, to promote actual conflict.* It renounces the conventional views and observances of family life, marriage, and religion, is international, not national, and holds no communication with the evolutionary Socialists, upon whom it expends as much virulent invective as it discharges upon the devoted head of the capitalist.

THE EVOLUTIONARY SOCIALIST.

In fact, between the Social Democratic Party and the chief evolutionist organisation, the Labour Party, a great gulf is fixed. The latest dispensation indeed in the latter organisation repudiates much that the Social Democrats hold to be essential. The new school denies the necessity for a Socialist Party at all, and contemplates with equanimity the continued existence of the Empire as an organic whole; does not altogether exclude the continued existence of kings, and tolerates the survival of the family, and even of the Church, as a voluntary organisation in the Socialist State.† Evolutionary Socialism,‡ indeed, is presented in such guise as to disarm opposition, and renounces many of the crudities and extremes of thought and doctrine which make the preparation of a counterblast against Socialism a child's holiday task. It does not aim at the creation of a new world by giving battle once and for all, and overthrowing the existing state of things, but is willing patiently to take advantage of such opportunities as present themselves, and does not hesitate to support legislation, which only in a small degree recognises or follows Socialist principles. It relies on the insertion of the thin end of the wedge, wherever a big breach cannot be made, and its leaders believe that when once

* H. M. Hyndman, "Will Socialism Benefit the English People?"

† See "Socialism and Government," by J. Ramsay MacDonald, M.P., vol. ii. pp. 12, 104-8, 131, 137.

‡ The evolutionary Socialist groups are the Fabian Society, the Independent Labour Party, the *Clarton* organisations, and the Labour Party.

the principle is conceded and none of the dread results predicted follow, there will be little difficulty in future in extending its application, and in obtaining legislative sanction for the full programme of the party.

MODERN TENDENCIES TOWARDS SOCIALISM.

These tactics are considerably assisted by the tendencies of modern political thought, in which social reform occupies a very prominent place. The evil things of this life are to be legislated out of existence, the rough places are to be made smooth, dark lives brightened, bad conditions of living removed, and all the hardships of the poor relieved. Measures to achieve such ends are welcomed, though the method adopted may be, and often is, impracticable and Socialistic. But if opposition is offered loud cries are raised to heaven against the objectors, accusing them of want of sympathy with others less happily circumstanced than themselves, and thus sound criticism of Socialistic extravagances is misrepresented and ignored. Hence measures become law the objects of which are excellent, but the provisions of which may be open to every possible economic and legislative objection. In such instances opposition can always be called selfish and attributed to the worst motives, and it is thus often terrorised into silence—especially in the case of party politicians, to whom votes are of importance, and who know how easily their actions can be misrepresented for electoral purposes.* Afterwards when it is charged against a measure that it is a piece of impracticable Socialism, the absence of opposition

* Perhaps the most prominent example of this kind of misrepresentation occurred in respect of an amendment to the Old Age Pension Bill. Lord Cromer, a Free Trade Unionist, if of any party label, moved to limit the duration of the Act to December 31, 1915, with the object of then revising the system in the light of the knowledge gained by experience. This is misrepresented on every Radical and Socialist platform as a deliberate attempt to bring Old Age Pensions to an end—the more reprehensible because Lord Cromer himself enjoys a State pension—and because his action was supported by the Unionist peers, there is hardly an election in which it is not alleged that the Unionist Party tried to take away from the old people their five shillings a week.

on the part of convinced anti-Socialists is cited as a proof of agreement. Thus the Socialists compel silence and call it acquiescence.

THE WEAPON OF CLASS PREJUDICE.

Appeals to class prejudices are the favourite weapon of the Socialist. The outbreak of feeling against the Budget of 1909 was met not only by a defence of the proposed taxation as sound finance, but on popular platforms at any rate, by accusations of selfishness against the propertied classes, who were represented as unwilling to contribute towards the many valuable and humanitarian schemes for the amelioration of the conditions of the poor, which depended for their success upon the proceeds of the new taxes.

This weapon of class prejudice was also freely used by Radical orators and even by Cabinet Ministers, which not only amounted to a recognition of its great value in electioneering, but contributed in no small degree to breaking down the slight barrier which still existed between the Radical and the Socialist. It is not suggested that the Radical Party accepts all the doctrines of the Socialists; but it cannot be denied that there is a considerable quantity of ground common to both parties, that to a great extent they are working on the same lines, and though the Radical may not for the present be prepared to go so far as the Socialist, it is the Socialistic wing which dominates the Coalition Government of Mr. Asquith, in regard to matters in respect of which the Irish supremacy is not asserted.

RADICALS AND SOCIALISM.

The time has passed when Mr. Asquith declined "to go wool-gathering with the Socialists,"* and his Chancellor of the Exchequer found no difficulty in recommending the electors to vote for Mr. Lansbury, a Socialist of a pronounced type.† A further proof that there is little or no objection in principle to co-operation between the two parties is seen in the

* Ladybank, October 13, 1906.

† Mr. Lloyd George, M.P., at Mile End, November 21, 1910.

readiness with which the miners' representatives in the House of Commons, with but few exceptions, transferred their allegiance from the Liberal to the Labour Party, the latter body being avowedly a Socialist organisation.*

THE TRIUMPH OF FABIANISM.

This changed attitude of the Radical Party towards Socialism is a triumph for the Fabian Society, a body small in numbers, which nevertheless exercises tremendous influence, possessing, as it does, members of considerable intellectual ability, and exacting no political allegiance from its adherents, who style themselves Liberal, Labour, or Progressive as their fancy dictates.† This Society is opposed to revolutionary tactics, its policy being one of "permeation," the meaning of which has been disclosed by Bernard Shaw in Fabian Tract No. 41. "We urged our members," he writes, "to join the Liberal and Radical Associations. We told them to become members of the nearest Radical Club and Co-operative Store, and to get delegated to the Metropolitan Radical Federation, and the Liberal and Radical Union if possible. On these bodies we made speeches and moved resolutions, or, better still, got the parliamentary candidate for the constituency to move them, and secured reports and encouraging little articles for him in the *Star*. We permeated the party organisations and pulled all the wires we could lay our hands on with our utmost adroitness and energy. . . . Our mission is to Socialise the Press as we hope to Socialise Parliament and the other Estates of the realm, not to run the Press ourselves."‡ The

* "For all practical purposes the British Labour Party was a Socialist party" (Mr. Philip Snowden, M.P., *Smethwick Telephone*, March 4, 1911).

† Fabian members of the Labour Party are Messrs. Keir Hardie, Lansbury, Crooks, Snowden, Hudson, O'Grady, Pointer, and Goldstone. The following Radical members of Parliament are Fabians: L. G. Chiozza Money, Percy Alden, H. G. Chancellor, A. Rendall. Other Liberal Fabians are Messrs. Edward Cadbury, Joseph Fels, Rev. John Clifford, and Rev. R. J. Campbell. Prominent Fabians are Messrs. Bernard Shaw, Sidney Webb, Mrs. Webb, and Sir Sydney Olivier.

‡ The whole of this Tract is worth careful study as an illustration of the tactics of the most dangerous of the Socialist organisations.

first victory of Fabianism was gained in the London County Council, whose policy was for years dictated by the Fabian Society wholly without the knowledge of the electors.

THE LLOYD GEORGE BUDGET.

The policy of "permeation" has now so far extended through the Radical Party that it occupies common ground with the Socialists, and all its legislation has a definitely Socialistic flavour. This was particularly marked in the case of the Lloyd George Budget, which was hailed with delight by every evolutionary Socialist as giving them a "chunk" of Socialism,* and as being altogether "splendid." † The Chancellor of the Exchequer was patronisingly praised by the Socialists as "a great and apt pupil." ‡ They welcomed his Budget not only for the super-tax, and the increased death and licensing duties, but particularly for the duties on increment of land values. Their only regret was that Mr. Lloyd George did not see his way to take more than 20 per cent., and they wanted the other 80 per cent. as well.§ But they recognised that the Budget was as good as could have been expected from a Socialist Chancellor of the Exchequer in his first year of office. ||

SOCIALISM AND SOCIAL REFORM.

Taxation is everywhere recognised by the Socialists as a powerful method of gaining their ends. They look beyond its simpler function of providing revenue, and regard it as a weapon in the fight against private ownership whereby property can be transferred to the State without the for-

* Mr. G. N. Barnes, M.P., at Scarborough. *Standard*, November 1, 1909.

† *New Age*, May 6, 1909.

‡ Mr. Philip Snowden, M.P., House of Commons, May 5, 1909. *Parliamentary Debates*, p. 1071.

§ "Mr. Lloyd George wanted 20 per cent. of unearned increment; he wanted the other 80. That was the only difference between Mr. Lloyd George and himself" (Mr. T. F. Richards, M.P., Sutton Coldfield, *The Times*, August 3, 1909).

|| *New Age*, August 12, 1909.

mality of purchase or payment. But while taxation can avail to confiscate, it cannot construct. Constructive social reform is not, however, the monopoly of the Socialist Party, though they would like it to be so believed. As will be shown in the next chapter, social reform can stand apart from Socialism. The Socialist in his measures of social reform makes the State predominant; the social reformer who is not a Socialist endeavours to lend the assistance of the State to those who show themselves worthy in their own individual aspect. The difference is admirably illustrated by the rival schemes of Old Age Pensions. The Socialist supports the non-contributory scheme under which the State pays all alike regardless of the position of the individual. The non-Socialist, encouraging the individual, assists him in proportion to his own contributions to the Old Age Pension fund. So in connection with the National Insurance Bill it will be found that Socialist opposition is particularly directed against those clauses which throw partial responsibility on the individual. Their amendments are directed towards the exclusion of individual responsibility, the exaltation of the State, and the exaction of all benefits from the pockets of the taxpayer. Their hostility is entirely due to the fact that the Government did not make the scheme non-contributory, as they did in the case of Old Age Pensions, but have placed it upon a contributory basis. For the most part, however, the Liberal Government have proceeded along the lines of evolutionary Socialism, as in their Old Age Pension scheme, the provision of meals for school children, and the Small Holdings Act, and though Socialistic principles are not quite so apparent in measures such as Town Planning, Labour Exchanges, and so on, they concede two principles which every Socialist regards with approbation. These are the extension of State activity into quarters hitherto left to individual enterprise, and the increase of the number of State officials. The wider the extension and the larger the number the better pleased are the Socialists with such marked advances towards the realisation of their ideals, and in both these aspects Socialistic thought has had great influence upon the policy of the Government of Mr. Asquith and his predecessor.

"ECONOMIC LIBERALISM."

There are, indeed, but few thoughtful Liberals who do not now believe that this absorption of Socialistic thought will be considerably accelerated in the future. Attempts may be made to describe the new policy as "economic Liberalism" or by some such name for the benefit of those members of the party who would shrink from a definite Socialist label. A few such may still exist, but their influence is a negligible quantity. Evolutionary Socialism will exercise increasing influence over Liberal policy in proportion as "permeation" proceeds.*

Although many Liberal "intellectuals" are Socialists in the Fabian way, and can therefore be depended upon to infuse into Liberal measures the Socialistic spirit, evolutionary Socialism has scored its greatest triumph by the capture of the Trade Unions.

THE LABOUR PARTY.

The Labour Party in the House of Commons includes declared Socialists, such as representatives of the Independent Labour Party and Trade Unionists, who may or may not be Socialists in the full sense of the word, but who are not, at any rate, opposed to Socialism, and approve of the immediate parliamentary policy of the Labour Party, which has declared its approval of the doctrine of the socialisation of the means of production, distribution, and exchange, but does not for the present profess anything more definite in the way of a policy. Nevertheless the leaders and office bearers of the party are declared Socialists, and they are admirably backed by the Trade Union leaders in the country, who are for the most part of the same political belief. There is, of course, nothing unusual in organisations officially non-political and non-Socialist coming under the influence of the Socialist Party. It is the fate of organisations to come under the control of their most active members, and such in the Trade Union movement are generally Socialists. The vast majority of Trade Unionists are content to make use of the Trade Unions

* See "Liberalism," by Professor L. T. Hobhouse, especially chaps. viii. and ix.

for their primary purposes of regulating wages and hours of labour, providing sick, superannuation, and unemployment benefits, and acting as employment agencies. Beyond this their interest ceased; but the Trade Unions as political organisations, although with few exceptions non-Socialistic, have now become part of the Socialist machine.

THE CAPTURE OF THE TRADE UNIONS.

There is no place here to tell the history of Trade Unionism or to trace its growth from a purely labour organisation into a political association. Even now the transformation is not complete in law, whatever it may be in fact. Trade Unionists when their interests were threatened were of one mind, and acted as one harmonious whole. Witness the agitation which followed upon the judgment in the Taff Vale Case. But on general public questions they may, and do, hold different opinions one from another. Socialists, Conservatives, and Liberals all join Trade Unions for protection and assistance as workers in certain industries. For the better carrying out of that purpose Trade Unionists have for many years been returned to the House of Commons. They went there primarily as Trade Unionist representatives, and were under no obligation to act or vote with any political party. No doubt the Conservative Trade Unionist had to contribute towards the salary of a Trade Unionist M.P. who usually associated himself with the Liberal Party and supported Liberal legislation. But he did so recognising that the payment was for Trade Union services in Parliament, and that when the member entered the Trade Union lodge he left his political convictions outside, and was not a Liberal, but entirely a Trade Unionist, representative. Otherwise he was perfectly free to follow the dictates of his conscience in respect of political matters.

In 1900, however, the Labour Representation Committee was formed, and upon it were representatives of the Independent Labour Party, the Social Democratic Federation,*

* The Social Democratic Federation retired at the end of the first year.

and the Trade Unions. The Labour Representation Committee was materially assisted at the General Election of 1906 by the Taff Vale Judgment, which, threatening the liberties of all Trade Unionists, led them to support Labour candidates, who at that time were not necessarily Socialists, but in very many instances retained their old character of Trade Union representatives.*

After the General Election of 1906 the Socialist section, which had been striving to oust the Liberal-Labour type, took definite action.† The Liberal-Labour men who declined to adopt a Socialist attitude were harried out of public life, and the adhesion of the Miners' Federation to the Labour Party largely added to its parliamentary strength.

"THE OSBORNE JUDGMENT."

But these additions were in practice to prove a source of weakness, and not of strength, to the movement. To the funds of the Labour Party, Trade Unions are by far the largest contributors. The levy is in practice always compulsory, though sometimes voluntary in theory: every Trade Unionist, whatever his political convictions, must pay or cease to be a member and lose his benefits, and his contributions go towards the support of the Labour Party, an avowedly Socialistic organisation, however much he may oppose their policy. The last straw was that the contributions from the Trade Unions, which are far larger than those of the Socialist bodies, who made up the Labour Party went in part in

* "There was no definite dividing line at the election between Socialism and Labour, on the one hand, or between Labour and Liberalism on the other" (T. Kirkup, "History of Socialism," 1906 edition, p. 839).

† They had from the beginning secured predominance on the Labour Representation Committee. "The Socialists attained a power from the very first out of all proportion to their numerical strength; for notwithstanding that 545,316 Trade Unionists were represented and only 22,861 Socialists, yet the rules provided that the Executive Committee should consist of seven from the Trade Unions and five from the Socialists. . . . Whereas those selected from the Socialist body would all be Socialists, some chosen by the Trade Unions would also be Socialists." (W. V. Osborne, "My Case," p. 11).

support of candidates who might not be Trade Unionists, but were certainly Socialists.*

The compulsory levy was obnoxious to both Conservative and Liberal Trade Unionists. There was no predominance of Trade Unionism in the equipment of the new type of Labour Member, who was not necessarily a Trade Unionist at all. He might be a Socialist, and he was bound to follow the Labour Party. Trade Unionists felt this injustice so strongly that they began to take legal action, and the suit brought by Mr. Walter Osborne was regarded as the test case. He, a member of the Amalgamated Society of Railway Servants, and a Liberal, sought to restrain his Trade Union from making a compulsory levy for parliamentary representation, and won his case. The Socialists carried the matter to the House of Lords, but without success. Mr. Osborne won, and injunction after injunction subsequently issued restraining the Trade Unions from supporting Socialist candidates for Parliament.† The Socialist Party, who were so eager to make Mr. Osborne observe what they conceived to be the law, resolved to defy it when defined by the Courts of Justice.‡ They have declared their intention of accepting nothing less than the complete reversal of the Osborne Judgment.§ They who are all for liberty and against tyranny are determined to make their political opponents contribute towards their support in Parliament, for the levy is in practice compulsory. Trade Unionists must con-

* The Independent Labour Party, for instance, contributed £228 in 1910-11 to the funds of the Labour Party, but received £1,800.

† An incident of the fight was the expulsion of Mr. Osborne from the A.S.R.S., and the dissolution of the Walthamstow branch, of which he was a member.

‡ "Not one single Trade Unionist candidate ought to have spent one single brass farthing of Trade Union money last December, but scores of them did" (Mr. J. Ramsay MacDonald, M.P., *Leicester Daily Post*, February 3, 1911). "At the recent election forty members received financial aid contrary to the Judgment, and at a Conference in Leicester the other day practically every one of the 460 who attended it, did so contrary to the decision of the judges" (Mr. J. Ramsay MacDonald, M.P., House of Commons, February 6, 1911).

§ House of Commons Bill, No. 89 of 1911.

tribute or cease to be members, losing their contributions of years and the benefits they have earned. No one, it is true, is bound to become a Trade Unionist. But these very men would be the first to compel all workers to do so, either by physical force, or by the not less effective means of insisting on the door to employment being otherwise closed against them.

THE LIBERAL SOLUTION.

The Bill introduced in 1911 * by the Coalition Government affords the harassed unpolitical Trade Unionist little relief. It permits Trade Unions to become political associations and allows their funds to be used for political objects † if a majority of the members voting by ballot approve such use. It exempts members from the obligation to contribute towards the political fund, providing they give notice of their unwillingness to contribute. Such notice has to be given in statutory form, a provision which, while it nominally leaves the contribution voluntary, in fact makes the objector a marked man. No one who has any knowledge of the treatment accorded to the minority by Trade Unions can have any doubt as to the fate of the member who holds out against the active agitators in his Union. Any ordinary member, whatever his wishes, will acquiesce and pay his contributions rather than run the risk of worse evils.

The exemption is a sham. If the Government were really bent on relieving the conscientious objector they would make the payment of contributions to the political fund a purely voluntary act, and not require a Trade Unionist to make a statutory declaration of his political opinions, which are, or ought to be, his own private possession. But such a provision would not suit the Socialists, who know that the majority of Trade Unionists are hostile or indifferent and could not be relied upon of their own free will to finance the

* House of Commons Bill, No. 225 of 1911.

† The political objects are payment of candidates' expenses for parliamentary or local government elections, their maintenance after election, political meetings, and political literature.

Labour Party in the House of Commons. Hence there must be compulsion, if of a veiled and indirect character.

A QUESTION OF PUBLIC POLICY.

There is, however, an aspect of this matter which touches the public life of the country. It is not merely a domestic question as between Trade Unionists. Under the Trade Disputes Act of 1906 Trade Unions have been granted immunity from liability for their civil wrongs. When they are recognised as having the right to become, as they will become, political associations, can they also be allowed immunity from liability for civil wrongs inflicted upon opponents in the pursuit of their political ends? And if the answer be in the affirmative will the like immunity be extended to other political associations, such as the Tariff Reform and the Primrose Leagues? No one would listen to such a proposal. But no distinction can be drawn in principle, and the public can hardly afford to allow Trade Unions acting as political associations to occupy such an exceptional position as puts them beyond the reach of responsibility for their political activities. To accord so privileged a position to these powerful political organisations would be a potential menace to the liberties of every subject of the State.*

No settlement of this vexed question has been reached though the future of Trade Unions is involved, and though identification with Socialism is already discrediting the Trade Unions by giving rise to suspicions of their single-minded pur-

* See on this point Mr. Frederic Harrison's letters to *The Times* of June 6, 1911. The resolution in favour of paying members of Parliament £400 a year, which was passed on August 10, 1911, on the motion of the guardian of the public purse, the Chancellor of the Exchequer, without any mandate from the electorate, was put forward to conciliate the Labour Party, which expressed dissatisfaction with the Government Bill. Though the party readily accepted the £400, which is, of course, forced on all members that a few may be gratified, their spokesman said that "payment of members must be justified or condemned on a totally different ground from the Osborne Bill." The pull at the public purse which has been unremitting during the Chancellorship of Mr. George is evidently not going to be relaxed.

pose and good faith. Trade Unionism cannot, without losing much of its proper and legitimate influence, be identified with party politics. Socialists, however, may be trusted not to relax their grip upon associations which present them with a ready-made organisation, and with far-reaching branches. The political and parliamentary power thus gained enables them to exert Socialistic influence upon Liberal legislation. Pure revolutionary Socialism has but little hold in the country, and by itself stands very small chance of acceptance. But shorn of its crudities and violence, supported by Liberalism and Labour, it stands a far better chance of making progress. The evolutionary Socialist knows this, and for the sake of immediate advancement, be it but a short step, he is ready to adapt his Socialist creed to the opportunities of the moment. If he approximates more or less towards Liberalism in his views, the Liberal on his part makes spirited advances towards Socialism. Condemned as a traitor to the cause though the evolutionary Socialist may be by his revolutionary colleague, he has at least, by confusing the issue, made it easier to obtain the co-operation of the Liberal Party, and harder for such Liberal opponents as remain, and for the new Conservatives, to oppose the whole system of Socialism root and branch, lock, stock, and barrel.

SUMMARY OF ARGUMENTS FOR AND AGAINST THE OSBORNE JUDGMENT

FOR

1. Provision for the expenses of parliamentary representation is wholly distinct from, and is not included in, the objects of a Trade Union, as contained in the Trade Union Acts.
2. Since the Trade Unions include members of every shade of political opinion, it is not just that a majority should compel a minority to support by subscriptions political opinions which are obnoxious to them.
3. The injustice is the more pronounced since the minority by refusing to subscribe to the parliamentary levy, which is always compulsory in practice, lose benefits for which they have subscribed, perhaps, for many years.
4. The penalty of refusal is expulsion, which may lead to unemploy-

ment, since not infrequently Trade Unionists decline to work with non-Union members.

5. Trade Unions are, by law, placed in an exceptional position, and have a statutory immunity from the ordinary consequences of certain actions.

6. This immunity was conferred on the understanding that Trade Unions confined their activities to the relations between masters and workmen, and to other important and well-defined objects, such as benefits to members, insurances, and so on, which fairly come within the ambit of a Trade Union's functions.

7. The fact that Trade Unions were given this immunity is proof that it was not contemplated that their activities should extend to political propagandism and parliamentary representation.

8. It cannot be argued that a political body should be granted such immunity from the consequences of their actions as Trade Unions enjoy in respect of acts done in pursuance of their proper functions.

9. It is against public policy to procure members of Parliament who are bound to vote in a prescribed manner, and in consideration of that condition secure financial assistance towards their election expenses, and their maintenance, if returned to Parliament.

10. Such conditions are inconsistent with the position of a person who accepts a public trust by becoming a member of Parliament, since they lead him to execute that trust subject to actual or potential duress and deprive him of his freedom to act on each occasion as he conscientiously feels to be best in the public interest.

11. The system in reality disfranchises certain constituencies since therein it substitutes for a member representing all classes and interests a paid delegate bound to put the claims of those who pay him before all other considerations.

12. Parliament being summoned by the Sovereign to advise His Majesty freely, this money payment destroys or imperils that function of freedom of advice which is inherent in the very constitution of Parliament.

13. There can be no complete freedom for Trade Unionists unless the principles of the Osborne Judgment are maintained.

14. If Trade Unionists want parliamentary representation let them subscribe voluntarily towards the expenses of election and maintenance.

15. Unless the system is purely voluntary, and is worked apart from the official organisation of the Trade Union, it will in practice be compulsory.

16. There should be no provision for identifying the member who declines to subscribe to the parliamentary levy.

17. The provision in the Bill of the Liberal Government requiring the dissentient member to declare and sign his intention not to contribute will at once make him a marked man.

18. Such exemption is consequently of an illusory character, and in no way maintains freedom of political action for the minority man.

19. It would, in fact, annul the law as interpreted by the Osborne Judgment, since few Trade Unionists will venture to make a public declaration of their political attitude.

20. The onus of a public declaration should fall, if at all, on the man who is willing to contribute voluntarily towards the political activities of the Trade Unions.

AGAINST.

1. Representation by, and payment of, Trade Union members of Parliament has been in operation since 1874, so the situation is one of long standing and of general acceptance.

2. The conduct of these representatives has not shown that their payment and the conditions of their election have degraded public life.

3. On the contrary the Trade Union members have been among the most highly respected in Parliament.

4. The amount in dispute is really very small, so far as the individual Trade Unionist is concerned, the levy amounting to no more than one shilling a year, of which tenpence is kept by the Trade Union itself, and only twopence goes to the funds of the Labour Party.

5. The Trade Union leaders took every precaution to ascertain whether the levies could be properly made, obtaining the best legal advice, which was favourable to their action.

6. Without the existing system of Trade Union representation there will be no real working-class representation in the House of Commons.

7. Payment of members is no remedy, for while it enables the less wealthy to go to Westminster, it does not necessarily mean that they will be working-class representatives.

8. The only way to secure Trade Union representation is to make the members, if the majority so decide, pay for political action; the majority in Trade Unions, as elsewhere, must govern.

9. It is impossible for a Trade Union to carry on its legitimate work unless it engages in political action.

10. The concentration of capital, the use which it makes of political power, and the interference of the State in industrial affairs make labour representation absolutely necessary.

11. So much are the interests of labour concerned with legislation, that they cannot be properly satisfied by deputations to Ministers.

12. These increased activities are of recent growth, and the old narrow conception of a Trade Union's functions consequently requires revision and extension.

13. The minority, who object to the political opinions of the representative in the House of Commons, enjoy, nevertheless, all the benefits which his presence brings in respect of Trade Unions and labour questions.

14. It is unjust that the minority should escape paying the levies,

while it enjoys all the benefits which Trade Union representation brings to the workers as a whole in the industry concerned.

15. The Bill of the Liberal Government, inasmuch as it falls short of establishing the principle of majority rule, and gives the minority man permission to contract out of the obligation imposed upon the Trade Union by the majority, fails to afford a complete and satisfactory solution of the question.

16. The recognition of the minority is in reality entirely one-sided; the Bill grants the minority man all he wants in respect of contracting out, but when it is the minority who want representation, against the decision of the majority, and are willing to pay for it, no provision is made for giving effect to their wishes.

BIBLIOGRAPHY.

Of the making of books for and against Socialism there would seem to be no end, and the student may well be aghast at the formidable list of volumes on the subject. Those mentioned in the following paragraphs are but the most useful for a preliminary study of the question; but they abound in references to other volumes which may afterwards be read.

Pamphlets, leaflets, and publications of the like character are issued on the Socialist side by The Labour Party (28, Victoria Street, S.W.); The Independent Labour Party (23, Bride Lane, Fleet Street, E.C.); and The Fabian Society (3, Clement's Inn, E.C.). Revolutionary Socialism is explained in the publications of the Social Democratic Party (Twentieth Century Press, 31A, Clerkenwell Green, E.C.).

Periodical publications are: *Justice*, weekly, and the *Social Democrat*, monthly, issued by the Social Democratic Party. *The Labour Leader*, weekly, and the *Socialist Review*, monthly, are the organs of the Independent Labour Party. *The New Age* maintains an independent position, as does *The Clarion*, both weekly papers.

Anti-Socialist literature may be obtained from The Anti-Socialist Union (58 & 60, Victoria Street, S.W.) and The London Municipal Society, Department of Anti-Socialist Economics (Tothill Street, Westminster, S.W.).

The Anti-Socialist Union publish an excellent "Speakers' Handbook" against Socialism; and the London Municipal Society a comprehensive "Case Against Socialism." A volume criticising Socialism, more from its theoretical aspect, is W. H. Mallock's "Critical Examination of Socialism." F. Ireson's "People's Progress": a study of facts in relation to national wealth, with some answers to Socialists, should be read by all students.

Other valuable Anti-Socialist publications are: "British Socialism," by J. Ellis Barker; "Present Day Socialism and the Problem of the

Unemployed" by G. E. Raine; "Socialism in Local Government," by W. G. Towler.

Thomas Kirkup's "History of Socialism" is written from the Socialist standpoint.

Popular manuals of Socialism which enjoy an extraordinarily wide circulation are Robert Blatchford's "Britain for the British" and "Merrie England." "The Socialist Movement," by J. Ramsay MacDonald, M.P., in The Home University Library, is a useful little handbook.

More serious contributions to Socialist literature are the volumes of the "Socialist Library," which is issued by the Independent Labour Party; the two which should certainly be studied are "Socialism and Society" and "Socialism and Government," both by J. Ramsay MacDonald, M.P. Small Socialist manuals which are worth reading are "The Woman Socialist," by Ethel Snowden; "From Serfdom to Socialism," by J. Keir Hardie, M.P.; "The Socialist's Budget," by Philip Snowden, M.P.; "The Socialist's Church," by Stewart D. Headlam; "Labour and the Empire," by J. Ramsay MacDonald, M.P.; "The Socialist's City," by F. W. Jowett, M.P.

"The Economics of Socialism," by H. M. Hyndman, the leader of the Social Democratic Party, should certainly be read; while for statistical purposes "Riches and Poverty," by L. G. Chiozza Money, M.P., a Fabian, is constantly used by Socialists.

Mr. and Mrs. Sidney Webb's "History of Trade Unionism," and "Industrial Democracy," should be consulted for information respecting the growth of the Trade Union Movement.

CHAPTER XIV

SOCIAL REFORM

MEASURES of social reform are to-day rarely treated on party lines. They partake for the most part of the nature of extensions and developments of principles of State regulation of industrial and social conditions, which have been accepted, more or less completely, by all parties. This consensus of opinion is apparent in the treatment in Parliament of the detailed and technical clauses of factory, mines, and housing Bills. Discussions of the provisions of such measures is properly conducted in the less formal and more private atmosphere of the committee-room rather than in the formal publicity of the House of Commons itself. Thus opportunities are afforded to the interests affected by any specific measure to explain their case undisturbed by electoral and political considerations. It therefore constantly happens that provisions become law which may appreciably affect the lives and conditions of a large industrial element in the population without the general public becoming aware of their existence and without political capital being made out of their adoption. Such conditions favour the passage of measures of social reform which otherwise might be prejudiced by the ease with which any opposition or amendment is misrepresented.

WHAT ARE MEASURES OF SOCIAL REFORM ?

It is around those measures which are on the border-line between social reform and politics that battles are waged. Supporters of any such proposal naturally desire to attach to it whatever advantage may be obtained from the label "social reform," while its opponents look upon its objects

as purely political, and are indisposed to treat it as a genuine measure deserving of that name. Of this character was the Licensing Bill of 1908. Advocated by its supporters as a good temperance measure, it was denounced by opponents as a purely political Bill for the confiscation of the property of opponents.

It is impossible, however, to deny that the Coalition Government of Mr. Asquith has a thorough appreciation of the electoral advantages of a policy of social reform. The Old Age Pensions scheme, boldly passed first and financed afterwards, gained for them tens and hundreds of thousands of votes. What greater contrast could be drawn than that which loomed large between the Liberals, who gave the pensions, and the Unionists, who discussed the question at great length for many years, but did nothing? Every Opposition, indeed, is placed in a very awkward position in respect of measures of social reform introduced by the party in power, which are sufficiently attractive to command general support. If the Opposition opposes it is represented as being indifferent to the sufferings the measure purports or pretends to relieve; if it co-operates with the party in power in passing the measure its assistance is placed to the credit of the Government.

The latter, indeed, may be praised with some show of reason for promising to develop a policy of social reform but the Opposition, when it co-operates with its adversaries to this end, is regarded as wanting in sincerity, and merely animated by a desire to outbid the party in power.

UNIONISTS AND SOCIAL REFORM.

In view of this handicap, of the brevity of political memories, and the non-existence of political gratitude, it is not matter for surprise that acceptance is being found for the creed industriously propagated by the Radical Party, of which the chief tenet is the allegation that they are particularly and conspicuously the party of social reform, and that their opponents, the Unionists, are the party of privilege and wanting in the qualities of humanity and sympathy with the

poorer classes of the community. As a matter of history the Conservative Party can show a record of social legislation of which any party might well be proud, and which is in respect of Acts passed far ahead of the Liberal record in the same behalf. It has indeed to its credit a long series of measures for ameliorating the conditions of labour in factories, mines, and workshops; for protecting the workers from accidents, and for compensating those who have had the misfortune to be injured; for improving the homes and conditions of living of the working classes, and for securing to their children opportunities of education and development; for according the right of combination to workers, and for facilitating the working of Trade Unions and the like societies. These Acts, and especially the earlier in date, were passed in the face of much Radical opposition resulting from a whole-hearted adherence to the doctrines of the Manchester school, which dreaded the interference of the State in industrial and economic spheres.

FUTURE UNIONIST POLICY.

No party, however, can hope to live on its past record. With the Unionists there was undoubtedly a slackening of effort during the later years of their last term of office. The energies of the party were, it is true, concentrated upon bringing the South African War to a successful termination, and upon dealing with the issues which arose out of the settlement. The movement which has been inaugurated by the Unionist Social Reform Committee should be welcomed, inasmuch as it indicates a definite return to social reform as the policy of the Unionist Party.

Many of their schemes must of necessity be of the nature of useful and unsensational development on previously settled lines. For instance, in so far as factory and housing legislation is concerned, the main principles have already been laid down and accepted.

The problems with which the Unionist Party will have to deal include some of which the most earnest advocates are Socialists, a fact which undoubtedly damps the reforming

ardour of moderate and practical men. Nevertheless, when the need for reform is admitted the solution need not necessarily take Socialist lines, nor is a solution necessarily Socialism because it is advocated by Socialists.

THE INFLUENCE OF SOCIALISM.

While, however, it is the fact that the Socialist programme naturally fails to find much support in the country, a purely negative attitude on the part of non-Socialist parties may tend to encourage the adoption of Socialistic solutions in preference to leaving unreformed that at which the public conscience revolts. The Liberal Party are little disposed to allow a social question to remain unsolved from fear of being accused of association with Socialism, and the Unionist Party for its own sake cannot decline to take its fair share in the solution of social problems. By adopting a purely negative attitude the latter Party may indeed merely increase the influence of Socialists in the State. The function of the Unionists—as an anti-Socialist Party—is to influence public opinion in the favour of a practical non-Socialist, as opposed to a predatory, unpractical, and Socialistic, solution. The prospects of success in this respect are the more probable because the country will reluctantly accept a Socialistic scheme only in default of an alternative plan of a statesmanlike and practical character.

OLD AGE PENSIONS.

It is improbable that any Unionist looks back with feelings of satisfaction upon the record of the Unionist Party in respect of Old Age Pensions. There is, however, the future to be considered. Already suggestions are being made for an increase in the amount, and a decrease of the qualifying age. Is the Unionist attitude towards these proposals to be purely negative? If an Unionist Government had introduced the Old Age Pension scheme it would probably have been drawn upon different lines to those which were actually adopted. The present law is admittedly imperfect; Unionists have already by their efforts secured the removal of some of its most glaring

anomalies, and they were able to introduce a modification of the provision of a fixed sum applicable in all cases, in favour of a sliding scale, whereby old people with small incomes above the original limit were not entirely excluded from the benefits of the Act, but were granted a diminished pension.

Any large extension of the non-contributory scheme effected by lowering the age, or increasing the amount of the pension, would appear to be barred for some years at any rate by reason of its costliness. Such an extension, unless carefully safeguarded, would also stimulate that undesirable discouragement of thrift, which Unionists believe to be the greatest blot on the existing system. Unionist policy then would appear to lie in the direction of grafting a contributory, upon the present non-contributory, scheme, and supplementing the five-shilling pension at seventy by earlier pensions increased in proportion to the contributions of the recipient. The scheme would be worked so far as possible through existing societies which pay old age and superannuation benefits, and would have the advantage of at once encouraging thrift, and relieving the burdens of the deserving and superannuated poor.

POOR LAW REFORM.

Linked to some extent with Old Age Pensions is the wider question of Poor Law Reform. While the Pensions have kept many old people out of the workhouse by making it possible for those upon whom they are dependent more easily to support them, there are still cases where helplessness and sickness render treatment in the workhouse infirmary necessary, while poverty and the absence of responsible relatives deprive the sufferers of any other resource. While it is often best that such unfortunates should become inmates of the workhouse, there attaches to that solution the stigma of pauperism which often keeps them away. To the purely logical there is something incomprehensible in the attitude which freely accepts assistance from the State in money, but regards relief in board and lodging as a degradation. Nevertheless, the feeling exists, and should be respected, although by its existence the problem under consideration

is largely complicated. It forms, however, only one aspect of Poor Law Reform, which includes other questions such as out-door relief, the able-bodied pauper, sickness, maternity, workhouse children, and the mentally defective, and raises many cognate problems, such as the causes of pauperism, distress arising from want of employment, boy-labour, and the administration of charities. Into the many controversies which arise from the examination of these questions there is no space in this chapter to enter. They are receiving adequate treatment in numerous volumes from writers who are experts in poor law administration. The present Coalition Government has shown little disposition to grapple with the question as a whole, and the length of the Report of the Poor Law Commission, able and conclusive as it is, rather discourages attempts to master the subject.* It is, however, very necessary that the Unionist Party should have a definite policy on the question.

THE MINORITY REPORT.

The Minority Report of the Socialist section of the Commission has been popularised, and forms the subject of a Socialist campaign, of which the attractive warcry is "Break up the Poor Law." This Report is a frankly Socialist text-book, and as such it is being used. While, like the Majority Report, it condemns the present system of administration, it goes far beyond the reference to the Commission, and advocates State regulation and responsibility throughout the daily life of the citizen.

The compulsory use of Labour Exchanges, restrictions on boy labour, shorter hours of work on tramways and railways, maintenance of working mothers, State relief works for, and maintenance and training of, the unemployed, grants in aid of Trade Union funds, and a Ministry of Labour, are among the proposals of the Minority Report for the reform of the poor law.

Such measures aim, of course, at securing what must be the

* Cd. 4499 of 1909, containing 1,238 folio pages. The Report is published in a more handy form in three octavo volumes.

object of all who desire to improve economic conditions, viz., the prevention of destitution, in comparison with which its relief is of secondary importance. Labour Exchanges may relieve the distress arising from unemployment by making it easier for the supply of, to get into touch with the demand for, labour. But they do not in the slightest degree increase the demand for labour by stimulating trade, and thus rendering employment less liable to disastrous fluctuations.

LABOUR CONDITIONS.

Unionists believe from the experience of other countries that Tariff Reform will increase the need for labour by stimulating the demand for manufactured goods. The Liberal Party have no policy calculated to increase the demand for labour, and can only suggest costly devices for lessening the distress arising from unemployment by the establishment of Labour Exchanges, and by establishing an incomplete and unacceptable scheme for dealing, subject to conditions likely to defeat the end in view, with unemployment in the two industries of building and engineering.

The Socialist Party, on the other hand, while not increasing the output, would increase the demand for labour by the limitation of hours, by restrictions imposed on all, and especially on boy labour, and by the establishment of a standard output for each man, which in their opinion would represent an average day's work, but would in practice be no more than the output of the slowest and least efficient workman in every trade.

AN EIGHT HOURS DAY.

Hence arises the Socialist advocacy of an universal eight hours day—a principle which is already in operation in the mining industry, but which was in that case particularly advocated on considerations of health. The general application of the argument rests, however, upon the effect that a general all-round limitation of hours is supposed to have in absorbing the unemployed. But the advanced reformers' solution of the unemployed problem does not end with the

establishment of an eight hours day. He seeks to throw upon the State the duty in the last resort of finding work for every man, and of maintaining him and his dependents. That the purse of the State is the pocket of the industrious worker is a practical consideration to which he never condescends.

Although State provision of labour is suggested as a last resort, those who advocate such measures would not allow the State to pay lower rates of wages than those ordinarily given by private employers. There would consequently be no reason why workers should seek private employment. The obligation which *ex hypothesi* rests on the State to provide work or give maintenance, and the absence of any inducement on the part of the workmen to seek employment elsewhere, would lead to constant and increasing resort to the State works on the part of men, who had been discharged from, or had abandoned, private employment. The Socialist ideal of universal State control would be brought about either directly through the discharge of its obligation to provide work, or indirectly through the compulsion the State would bring to bear on applicants to accept employment provided by the agency of Labour Exchanges. The principle of the right to work is too advanced at present for the Liberal Party, and measures introduced into the House of Commons for establishing it have failed to meet with any serious support.

THE MINIMUM WAGE.

However economically impossible, a minimum wage is nevertheless an integral part of a vague and grandiose whole, which Socialists are seeking to-day to establish, a system in which individuals will not be permitted by the State to sink below a certain standard of living. Recent labour unrest and strikes are justified by many on the ground that the wages of the strikers were insufficient to maintain them and their families according to the minimum standard of comfort. What strikers hope to achieve by violent action, other sections of reformers would attain by legislation. Trade Unions have already fixed the rates of pay of certain industries, and as voluntary associations

it is within their power to achieve by arrangement that which the State cannot accomplish by force.

Where the organisation of labour has failed owing to the exceptional helplessness of the workers—as in the case of sweated industries—the State has already intervened in the endeavour to secure for them a fair rate of pay. The Trade Boards Act of 1909 established committees, acting under the supervision of the Board of Trade, to regulate the rates of wages in certain home industries in which the remuneration is often notoriously insufficient. The universal application of the principle is advocated by Socialists, who would fix a general minimum wage for all industries. Some suggest 30s., others, more ambitious, £2 a week for adult labour. Local government bodies in some districts are subjected to extreme pressure to induce them to pay their employees in no case less than thirty shillings. If the policy of the minimum wage were introduced by legal enactment, the burden on the general taxpayer, and particularly on the working man, who is the chief constituent of the State, would be enormously increased and multiplied. It would, moreover, prove impossible to fix a minimum wage much in advance of the lowest at present being earned in any industry. An agricultural labourer's wages, which now average somewhere about 15s. a week, could not be doubled at a stroke without ruining every farmer in the country, and giving a final blow to our greatest industry. On the other hand, agriculturists could not be excluded, whilst the wages of town workers were brought up to the minimum, without creating feelings of deep resentment and increasing the already alarming exodus from the country to the towns. An attempt to fix a general minimum wage by law could only result in failure and in widespread industrial distress.

SOME DIFFICULTIES.

Another difficulty would certainly present itself in the inability of the State to insist upon the employer providing for the same number of employees as before the introduction of the minimum wage. Any increase in wages which the enactment of the minimum rate might secure would for the most

part be inapplicable in the case of skilled workers, who are the more necessary to the employer, but would operate in the case of the unskilled labourers. An increase in their remuneration, on the other hand, would be balanced by a corresponding reduction in their number, and by the introduction of mechanical devices to obviate the need for unskilled labour. These men, deprived of work as the result of State action, would naturally demand that the State should find them employment, and the inevitable result would be the establishment of some system of National Workshops, the folly of which has been proved beyond the possibility of doubt.

To be effective the minimum wage must be international, or countries wherein it prevails must be protected from competition in their home markets on the part of products manufactured where the principle does not apply. Even this condition would only be a partial remedy since it would not secure equality of competition in foreign markets between the products of countries in which the old, and those of countries in which the new, systems obtained.

It is also difficult to avoid the conclusion that the establishment of a minimum wage would confer little real benefit on the workers. If it resulted in no very considerable increase for a large number it would fail to satisfy them. If it did, although the money wage would have risen, the real wage as represented by its purchasing power would have experienced little or no improvement, because the higher cost of production would have resulted in proportionately higher prices.

DISTRESS FROM WANT OF EMPLOYMENT.

But the minimum wage is of no value to the man without work, and distress chiefly arises from want of employment. While such devices as the shortening of hours of labour, the better regulation of industry, and the limitation of output may provide work for more men, they occasion no increase in the amount of work to be done. The extent of unemployment depends entirely on the economic condition of the country, and Tariff Reformers believe that their policy, by creating a greater demand for home-manufactured goods, will

materially diminish this great evil. But it would seem that whatever may be the demand for labour and however carefully it may be organised to meet the calls upon it, there will always exist in the vicissitudes and changes of the industrial system a number of men who are temporarily out of work. To relieve the distress which results to them and their families on such occasions, the more highly organised Trade Unions have established a system of unemployed benefits.

Not more than 1,500,000 Trade Unionists are entitled to unemployed benefit; and there are probably 8,000,000 adult males of working age in the United Kingdom. The provision is therefore very limited in its application, and, moreover, affects rather the skilled workman than the unskilled labourer.*

UNEMPLOYMENT INSURANCE.

The question is one which most Governments have failed to treat as its immense importance requires. Experiments have been conducted in certain quarters, but without much success.† The Coalition Government of Mr. Asquith has, however, dealt with unemployment in respect of the building, ship-building, and engineering trades, covering some 2,400,000 workers at the outset. The industries concerned have been selected as those in which the fluctuations of employment are greatest; and the principle of compulsion is applied, contrary to the advice of both the Majority and Minority Reports of the Poor Law Commission. Imposture and malingering are the greatest difficulties the State has to face in the distribution of unemployment benefits. In respect of unemployment it will be a difficult task for the insurance officer to ascertain whether the unemployed applicant for benefit has made a serious effort to obtain suitable employment, has declined an offer of work without adequate reasons, or left his last job through misconduct or without sufficient cause. It is doubtful whether these and the other necessary inquiries can be thoroughly made and the results carefully considered

* See Poor Law Commission, Majority Report, 8vo edition, vol. i. par. 572.

† Outlines of the schemes are given in the above Report, par. 573.

in normal times, and the system is even more likely to break down in periods of distress.

OBSTACLES TO INSURANCE.

Even to ensure that the unemployed workman is really unable to obtain work, it will be necessary to ordain compulsory resort to Labour Exchanges, to which all available vacancies must be reported, and at which all insured workmen must apply for situations. Otherwise "industrial malingering" will prove impossible of detection. Even Trade Unions, which at least must, unlike State agencies, endeavour to be economical in the expenditure of their own funds, find it impossible to avoid considerable loss by improper drafts upon their unemployed benefit funds.*

While this danger is proportionately lessened, so long as unemployment insurance is limited to a small number of industries, such limitation deprives the Government's scheme of the character of a settlement of a most difficult and debatable problem. Workmen in trades outside the scheme will naturally press for inclusion, and it will no doubt in due course be extended to other industries. But directly it is applied to unskilled and casual labourers the question of imposture becomes even more urgent, and the difficulties of the insurance officer increase in proportion to the area of operation of the insurance system.

An examination of this question induces the belief that the Coalition Government was ill-advised in rejecting the voluntary principle.

Better results, it is anticipated, would be attained by means of subsidies to voluntary associations. Trade Unions would thus be encouraged to establish or extend their system of unemployed benefits, while other voluntary associations could be formed to cover those workmen, who desired to insure without becoming members of Trade Unions, of the political activities of which they might entertain some suspicion.

Direct participation in the administration of the benefits, the preservation of the voluntary principle, and the knowledge that

* Poor Law Commission, Minority Report, 8vo ed., pp. 64-5.

the fund to be drawn from consisted in part of their own contributions, would be likely to make for economy on the part of managers and to promote the detection of imposture far better than a compulsory system under State direction.

The compulsory system,—and this applies both to unemployment and sick insurance,—conspicuously fails to encourage, rather does it actively discourage, individuality, independence, and thrift, and the contributions directly and compulsorily exacted are naturally regarded as a tax.

Under a voluntary system, supplemented by subsidies from the State, there is a direct encouragement to the contributors to exercise thrift, to subordinate immediate gain to future advantage, to exercise foresight, and to take an interest in the economical administration of the funds.

SICK AND INVALIDITY INSURANCE.

While the ground, however, is, so far as competition is concerned, comparatively clear for the establishment of a system of unemployment insurance, it is otherwise in respect of insurance against sickness and invalidity. In that field powerful Friendly and Benefit Societies have been successfully labouring for years, and it has till now always been the desire of statesmen to encourage their operations. The principle of compulsory national insurance against sickness has, however, long been familiar, and is actually in operation in Germany.

THE FRIENDLY SOCIETIES.

Mr. Lloyd George's initial mistake lay in endeavouring to transplant the German scheme without due and proper regard for existing agencies in this country. The Friendly Societies are vast organisations, managed by their members, entirely self-governed, and any system of national insurance had to supplement, rather than supplant, them. The National Insurance Act leaves the branches of the great Friendly Societies outwardly intact, but in actual administration the effect of State intervention will immensely impair their powers of self-government, and will tend to make them mere agents of the State in the administration of its compulsory scheme. The

Friendly Societies as monuments of the principle of voluntary thrift will no longer exist, and the smaller societies, often in the rural districts, possessing a long and beneficent history, and a marked individuality of their own, must sink their independence, or remain outside the scheme.

So far as the member of the approved Friendly Society is concerned the case as presented to him resolves itself into the question whether he will receive under the Act greater or smaller benefits for the same premium than he now gets from his society. It will rarely be the case that he will or can continue to pay the society premium in addition to the compulsory payment under the Act, and even regarded from this purely individual standpoint it is doubtful whether the latter will confer increased benefits.* The contributor pays, of course, his share of the State contribution, and as a consumer his share of the employer's contribution, which is either deducted from wages or added to the cost of living.

DEFECTS OF THE LLOYD GEORGE SCHEME.

Apart from many minor faults and from provisions which yet require considerable explanation in order to secure their justification, but may be amended or omitted as the result of experience, the cardinal defects of the Act would appear to be its failure to make proper provision for invalidity and its devotion in the main to relieving temporary sickness; the unnecessary inclusion of many classes otherwise provided for; the competition which the scheme induces, under which the stronger will gain at the expense of the weaker, societies; the treatment accorded to those who cannot gain admittance to any approved society, either through inability to satisfy the statutory conditions or to pass the medical examination; and the absence of any proper provision for grading contributions according to the means of the contributor.

* "What it does promise for the contribution of 4d. a week, increased to 9d. by the employers and the State, is an insurance following very closely upon the existing lines, and covering about half the benefits which 9d. a week will now procure in one of the best societies" (*Times* article, August 3, 1911).

The main principle of the Bill is the relief of temporary sickness ; but it is just this for which sufferers can now most easily make adequate provision by means of voluntary insurance. It is also the ground best covered at present by the Friendly Societies. The Act provides a system of relief for temporary sickness, but fails to relieve the distress which arises from widowhood and partial invalidity, and only inadequately deals with permanent invalidity, especially such as arises from old age. It is just this ground which the voluntary system has failed to cover, and it is consequently that which would seem to offer the most appropriate field for the operations of the State, if its intervention be once allowed to be desirable and necessary.

SMALL PROVISION FOR INVALIDITY.

In respect, moreover, of invalidity the measure only allows some 14·5 per cent. of its benefits to be devoted to this purpose, leaving the remainder (85·5 per cent.) to be used in relief of temporary sickness.* It is probable that the most attractive benefit in the Act is that which gives a pension of five shillings a week in respect of permanent disablement before the age of seventy. The official memorandum indeed pointed out the extra advantages of this grant over the German system ; but inquiry disclosed the fact that a blunder had been made, and that the estimates on which the Bill were based made provision only for total, while the German law relieved also partial, disablement.† Nevertheless, while Mr. Lloyd George entirely failed at the beginning to grasp the limitation of the disablement benefit, he lightly brushed aside an amendment ‡ which would have assimilated his Bill in this behalf to the German Act on which it is based.

Even in respect of permanent disablement the pension of

* *Times* article, August 3, 1911.

† See *The Times*, June 15, 1911, and Parliamentary Debates, July 3, 1911, p. 798.

‡ To grant disablement benefit, when the insured person is unable to earn one-third of the usual wage. See Parliamentary Debates, July 17, 1911.

five shillings is wholly inadequate, especially as it is limited to total incapacity. This provision, moreover, applies only until the age of seventy, when it is assumed that poverty will enable the old and helpless worker to come under the operation of the Old Age Pension Act, and so to continue to receive the five shillings a week.

Better results would have been secured if State assistance had been provided to a greater extent for the relief of permanent disablement, whether total or partial in character.

UNNECESSARY INSURANCE.

The Bill further fails in that it forces many classes to insure and receive the State grant which are already well provided for, or are in a position, and desire, to provide for themselves.

Many manual labourers, especially skilled Trade Unionists, are in the receipt of wages which should make them independent of all State assistance in respect of the cost of sickness. Ample provision in this behalf is also usually made for employees of railway and other large companies. Custom applies the same conditions to domestic servants and estate workmen. Curates, bank clerks, and (other than elementary) schoolmasters may reasonably be regarded as not in need of State assistance, either by reason of custom under which their salaries are paid during sickness, or by their inclusion in the scheme being only in respect of the temporary character of their low salaries during their earlier years, or in many cases by the possession of more or less private income.

SOME OMISSIONS.

While such classes are, in the main unnecessarily, included in, those manual labourers who work on their own account—the jobbing gardener, the chimney-sweep, the cobbler, and the village joiner, to give only a few examples—are excluded from, the compulsory provisions of the Act.

A measure which makes the average bank clerk compulsorily insure himself against sickness, and assists him by a State

subsidy, and excludes the jobbing gardener can hardly be defended by logical argument. A large number of the "employed" population, within the definition of the Act, do not, but many who are excluded should, come under the measure, if once its necessity be conceded. But many who can make adequate provision for temporary sickness, or are provided for, would welcome opportunities of insuring themselves against partial disablement through sickness, infirmity, or old age, for which, however, the Bill makes no adequate provision.

COMPETITIVE INSURANCE.

One of the many objectionable provisions is that which introduces the principle of competition by permitting societies to dispose of any surplus shown upon valuation in respect of contributions by, or in respect of, members, and by making the State contribution a subsidy to benefits actually paid. Since the surplus is to be devoted to paying additional benefits, societies that can secure the best lives are thus placed in a privileged position. They will be able to pick and choose among their applicants for membership. The best list of benefits will secure the best members for the society, and they can insist upon an exceedingly high medical standard. The competition will be such that the best lives only will be accepted, and the less desirable will be rejected. All the best will obtain entrance into the privileged societies, and the less desirable will drift into those which offer smaller advantages. The strong societies will become stronger; the weak societies, left with the less desirable lives, will grow still weaker. Their careers, if indeed they may avoid insolvency, will be checked and retarded, and they can never aspire to be more than agencies through which the State scheme is administered. The existence of these two sharply contrasted classes will not make for the stability of the national scheme; and below them both are the despised Post Office contributors, rejected by all, and only permitted to enjoy benefits until their personal credit is exhausted.

THE COST OF SOCIAL REFORM.

The Act has so far been considered solely in respect of its detailed provisions, and without any discussion as to the advisability of a compulsory scheme of National Insurance. When so costly a system is proposed, under which every individual in the State in one way or another has to pay, either directly as an insured person or employer, or indirectly as a consumer affected by high prices following increased cost of production, or as a taxpayer responsible for a portion of the State grant, careful consideration, examination, and criticism are necessary, and no scheme should be accepted because it has been in operation in Germany, where as a fact that which Mr. George has adopted proved a failure, if contemporary writings on the subject may be believed.

Social reform after Mr. George's fashion is likely to prove a heavy burden on our industries and on our taxpayers, and it is not by the reduction of expenditure on defence, that the cost can be met at a time when European Powers are openly reverting to the doctrine that might is right and there is no other. Nor are Mr. George's estimates of the cost likely to be less inaccurate than they proved in the case of Old Age Pensions, and land taxes.

Expenditure on national defence never was more obviously necessary than at the present moment, and it is indeed only insurance against losing our lives, liberties, goods and national existence, without the preservation of which social reform would be indefinitely postponed, while, in the event of defeat, all our available resources would be devoted towards paying the victors a war indemnity of hitherto unimagined magnitude. And if indeed a bold policy of social reform is to be adopted, with its inevitably heavy resulting burdens upon our industries, should not the products of the home labourer and workman receive some measure of that protection, which is indiscriminately forced upon the producer himself? That further burdens can be borne without some abatement of unchecked foreign competition will not be readily believed by any who are conversant with our contemporary economic and industrial conditions.

ARGUMENTS FOR AND AGAINST THE RIGHT TO WORK BILL.

FOR.

1. Unemployment being a permanent feature of our industrial system it is right that the State should remedy the evil by directly providing employment or maintenance for the unemployed.

2. Under present conditions there is always a surplusage of labour which is exposed to undeserved hardships.

3. Provision for relieving the victims of this system can only be undertaken by the State.

4. Since labour creates its wealth, the State should come to the relief of labourers in time of distress.

5. The unemployed have, as a matter of fact, to be maintained at present by private charity, in the workhouse, or by outdoor relief.

6. It would therefore be no great innovation to give them unemployed maintenance, or better still to provide them with useful work.

7. Permanent unemployment is a great waste of national wealth and impairs the national character.

8. Any cost to which the State would be put by passing the Right to Work Bill would be amply repaid in improved economic conditions.

9. While the "right to work" principle runs counter to formerly accepted economic doctrine, such doctrine has long since been undermined by such legislation as the Wages Boards and the Eight Hours Acts.

10. The acceptance of the "right to work" would be better than National Insurance, which provides payment for a man while he is out of work, since national funds are, under the former system, expended in providing work and so increasing national wealth.

11. If labour cannot be employed because of the failure of the private employer to find work, that is no good reason for keeping labour unemployed.

12. The State, in such circumstances, must supplement the efforts of private employers and provide against their failure.

AGAINST.

1. The Bill does not give an unrestricted right to work, but only permission to work upon such terms in respect of wages and hours of labour as Socialists approve.

2. If State labour was not made less attractive, and was not less well paid than private labour, the State, instead of giving work to the otherwise unemployed in times of distress, would have to provide work at all times for all comers.

3. It would have to compete with private employers, and apart from

the injustice done to such, the system would gradually and inevitably lead to the complete nationalisation of all industries.

4. Otherwise the State could not find sufficient useful labour for the many for whom it would be called upon to provide work.

5. The State would have to find work for all slackers, or maintain them and their families from the rates, and would thus directly encourage labour conflicts.

6. This would materially increase the rates, and by removing difficulties which now deter workers from striking would largely increase the number of strikes.

7. Employment would, unless the State assumed control of industries, be entirely artificial and would not be directed, as now, to the satisfaction of any legitimate demand.

8. The amount of normal and useful employment would, moreover, be largely decreased by reason of the distress that would arise from increased rates and taxes.

9. The principle has been tried before in England by the Act of 1601, and in France in 1848 by the National Workshops.

10. In both cases failure resulted, and it was shown that the system is economically wasteful and inefficient and that the results cannot be compared with those of private labour.

11. Experience of the system in England resulted in the provision of maintenance as being less troublesome than the provision of work, and in the creation of large numbers of disorderly dependents of the State, who practically lived on the labour of the industrious, independent workmen.

ARGUMENTS FOR AND AGAINST AN EIGHT HOURS DAY.

FOR.

1. Proposals for the limitation of the hours of labour have received the almost unanimous approval of the organised workers of the country.

2. Manual workers, unlike those engaged in the higher branches of labour, have no variety of occupation, and little or no holiday. Hence it is very necessary that they should secure time for recreation by a limitation of hours.

3. Prophecies of disasters to follow upon the adoption of an eight hours day have been falsified by the fact that many firms, in the face of keen competition, have adopted the system with complete success.

4. Proper and reasonable regulations would be made in respect of seasonal trades.

5. The State has, in respect of some 40,000 of its own workers, established an eight hours system. Private employers should follow suit.

6. The limitation has produced greater regularity of attendance, improved physical conditions, and consequently increased efficiency and power of production without extra cost.

7. The experience which has resulted from the adoption of the system by the State, and by certain private employers, has been so successful that it affords the most substantial argument in favour of an eight hours day throughout all industries in the country.

8. In the case of many factory workers it is recognised that, as in the case of miners, eight hours' labour under dangerous, strenuous, and unpleasant conditions is sufficient.

9. New machinery has so increased the output of work that an hour of labour to-day means much more than it did twelve or fifteen years ago.

10. The reform could be applied in the case of many workers—tramwaymen, railwaymen, municipal employees, builders, and others—without in any way raising the question of facing foreign competition.

11. In any case the claims of humanity must stand above those of commerce or trade, because in considering the hours of labour we are considering the lives of human beings.

AGAINST.

1. So drastic and comprehensive an interference with industrial conditions as an universal eight hours day is impracticable and undesirable.

2. The hours of labour cannot be suddenly and largely restricted without regard to varying conditions of different trades and industries. The results of interference have proved disastrous.

3. The principle could not in any case be applied to the workers in many important industries, such as agricultural labourers, sailors, and domestic servants, and others, where employment is not continuous, but intermittent.

4. There are no grounds for believing that a general reduction of the hours of labour would solve the problem of unemployment.

5. Although reduction may lead to the employment of additional men in certain trades, the expenditure on extra wages in one, occasions a lessened demand for labour in another, industry.

6. There would consequently be no increase in the total amount of employment, and this reform would prove impossible in practice since it would require innumerable and expensive inspectors to check the length of each man's daily work.

7. So far from shorter hours lessening the risk to men employed in dangerous trades, the haste to produce as much in less time would necessarily result in a diminution of precautions taken, and an increase in risks run.

8. By a policy of friendly arrangement between employers and workmen the hours of labour are now being reduced, with more lasting and

more satisfactory results than are likely to be achieved by empirical and compulsory legislation.

ARGUMENTS FOR AND AGAINST A MINIMUM WAGE.

FOR.

1. Since every family has the right to an income sufficient to enable it to maintain its members in decency and comfort, the State should establish a minimum wage for adult workers.

2. Low wages result in low standards, bad living, an unhealthy people, and national degeneration.

3. The only method of prevention is by the enactment of a minimum wage sufficient to secure decent comfort, and the necessities of life.

4. The need is becoming more urgent, since the price of food and the cost of living are rising out of all proportion to increases in wages.

5. In many industries such as railways and mining, where no foreign competition enters, conditions would easily allow an increase up to a statutory minimum of reasonable amount.

6. Any general increase of wages would be amply repaid by the increased efficiency of the worker.

7. The statutory wage could be adjusted to meet the varying cost of living in different towns, as has been done already in the case of the Post Office servants.

8. The principle has already been established in the case of sweated industries, and could easily be extended in the first place to those industries in which wages are notoriously low.

9. If the wages of men and women were equalised the work women, now perform at cheaper rates would naturally go to the men.

10. Women would thus to their advantage be removed from many spheres of unsuitable employment wherein they are now, to their own hurt, sweated and underpaid.

AGAINST.

1. No advocate of the minimum wage has yet indicated the basis upon which that wage should be calculated. No one sum can represent the minimum level of decent subsistence for the whole country.

2. If a general minimum wage of the same amount is contemplated, such would represent a very unequal reward for labour in different cases, owing to the varying cost of living and of other conditions in different districts and industries.

3. When the wages of the lowest paid are raised to the minimum rate, other workers will demand increases of the like character, to keep the reward of skilled, higher than that of unskilled, labour.

4. Many industries could not stand an increase of wages of adult labour to thirty shillings a week, the sum generally indicated by Socialists as a suitable minimum.

5. If the minimum wage is to be decided by the cost of living, it should be increased when the cost of living rises and decreased when that cost declines.

6. Arbitration courts would be necessary to settle these questions. They would be costly, and their decisions could hardly be enforced without resort to violence.

7. The same minimum rate could not be applied to the single woman, and to the married man with a family.

8. So with boys' labour; but if a different rate were conceded a tendency would arise to replace adult male labour by female and boy labour.

9. If the slow, is to be paid the same minimum wage as the fast, worker, the former will lose his employment.

10. An increase in wages involves an increased cost of production, and consequently higher prices, and thus no real gain to the wage-earning classes will result.

11. The increased cost of production will give our rivals increased advantages over those they already enjoy in international competition, and in our home markets.

12. The evil of low wages should be diminished, not by the legal enactment of a minimum, but by removing such causes as irregular labour and the competition of boys and women.

13. As between the two parties—employers and workmen—the best settlement is that made between them without the interference of the State, which never succeeds in its efforts to regulate industrial conditions.

14. The adoption of the minimum wage would deprive women of the employment they now get because they will take lower wages than men.

ARGUMENTS FOR AND AGAINST STRIKES.

FOR.

1. No legislative or other limitation should be imposed upon the right of a workman to strike, for he has no other weapon.

2. The damage done by strikes is habitually exaggerated by the public, by masters and by the Press, but the resulting damage to others is no reason why labour should not exercise its rights.

3. It is generally assumed that the men are in the wrong, which aggravates the gravity of labour disputes. It should not be assumed that the men have no right to interrupt trade.*

* Mr. Lloyd George, House of Commons, August 16. 1911.

4. The poverty occasioned by strikes is more than made up by resulting subsequent prosperity.

5. The Conciliation Boards did not work satisfactorily, and some machinery must be created to enable men, who claim higher wages and shorter hours, to get an impartial judgment.

6. The Conciliation Boards were not accepted by, but forced on, the Trades Unions. Their awards had been ambiguous, and the Railway Companies had insisted on their own interpretation.*

7. The police had no right to baton citizens in the streets upon any provocation. Strikes are perfectly legal proceedings.*

8. The police molest "pickets" and protect "blacklegs," and thus side against labour in its legitimate effort to improve its position. The authorities are responsible, and approve.

9. The men are thus convinced they can get no justice without resort to force, and that their case attracts no attention, unless they strike.

10. Rents and cost of living have increased, but wages have increased in no like ratio, or have decreased or remained stationary. But no remedy offers save and except a strike.

11. No body of men would strike unless they were honestly convinced that they had grievances, because of the sufferings entailed. The working classes want to improve the conditions of labour, and have increased their wages by a succession of struggles conducted with great sufferings to themselves, of which strikes were the chief features.†

12. Trade Unionists have a natural grievance against non-unionists, who take advantage of improvements resulting from struggles they try to thwart.†

13. Stubborn and obstinate employers are generally responsible for prolongation of labour struggles.†

14. The employers should, but do not, meet their men or their official representatives.†

15. It is the duty of the Government not only to protect railways, but also workmen.†

16. Railway Companies have recently made higher profits than ever, and can afford to pay, but will not, unless the men strike, pay, higher wages.

17. "Strikes can only be cured by granting a juster reward for labour," i.e., by conceding higher pay when demanded by means of a strike.†

18. As responsible Ministers hold these opinions, there can be no doubt that workers are justified in acting upon them.

* Mr. Ramsay MacDonald, House of Commons, August 16, 1911.

† Mr. Lloyd George, House of Commons, August 16, 1911.

† Mr. Chiozza Money, House of Commons, August 17, 1911.

AGAINST.

1. A strike injures others besides those who strike, and their own families and dependents.

2. There should be legislative provision for compulsory investigation of disputes, and strikes should be made illegal before investigation has been held by an authority *ad hoc*. Such legislation exists in Canada in the Industrial Disputes Investigation Act, 1907, while compulsory arbitration is in force in Australia and New Zealand. It is, however, impossible to enforce awards in Great Britain, where no tariff exists which can be worked so as to enable an industry to meet an award of higher wages.*

3. The Trades Unions are now practically political, and are not entitled to the sympathy they claim as industrial, organisations.

4. They oppress men who will not join, and prevent them from exercising their own right to work, when they can get work.

5. It is cruel and unjust that the whole commerce and comfort of the country should be at the mercy of a trade dispute.

6. The Conciliation Boards set up in 1907 failed only because the men renounced the agreements made under the arbitration of the Board of Trade.

7. The Government as guarantors are bound to enforce such agreements.

8. Poverty is largely increased by strikes.

9. The weakness of the Government and their unwillingness to preserve order, lest thereby they offend Trades Unions, Labour Members, and voters, is a factor leading directly to the occurrence and prolongation of strikes. Government departments actually worked on permits from Strike Committees in 1911, and strikers openly and unchecked stopped transport work in the streets of London.

10. The profuse promises made, and the class hatred preached by, certain Ministers are most powerful incentives to strikes, which are not now primarily of an industrial character.

11. Strikes make the men's cause unpopular with the public, and prejudice their just claims.

12. The average return on railway stock is under 4 per cent., and such stock is for the most part held in small parcels, the dividends on which will not stand further reduction.

13. The Railway Companies did not ask for Conciliation Boards, but having, with one exception, accepted them in 1907 for six years, were justified in holding that they should remain in force on the agreed footing for that period.

14. The object of the organisers of the 1911 railway strike was to substi-

* Mr. Bonar Law at Leeds, November 16, 1911.

tute Trades Unions for Conciliation Boards. It is for the right of being represented by their Unions, which represent less than a fourth of the men, that this strike was organised. The representation of the men on Conciliation Boards had been found not to conduce to the growth of the power of the Unions. Hence the agitation in the interest not of the men, but of the agitators, to compel three-quarters to join societies representing only one-quarter of the men.

15. No actual grievances of any weight were even alleged in August, 1911, only a vague charge of "failure to observe the spirit and letter of the Conciliation Board Agreement of 1911, and the utter impossibility of men's representatives to obtain redress of many grievances."

16. The Conciliation Boards contained freely elected representatives of the men. The Companies never objected to receive representatives of their own men, but only representatives of Unions, which did not represent their men.

17. The results of a strike are more disastrous to the men than to the public. Half the holders of railway stock in England own £500 and less, and receive as dividend less than the sum which disqualifies for receipt of an Old Age Pension. In Scotland on some lines the figure is £200. Strikes are far more disastrous to the poor than the rich, and the distress reaches all classes, and chiefly those of small means.

BIBLIOGRAPHY.

It is impossible here to give a complete bibliography of publications on social questions. Much valuable material is contained in the Parliamentary Debates and the various Parliamentary Papers, the indexes to which should always be consulted. The Fabian Society (3, Clement's Inn, Strand, W.C.) have issued a useful bibliography, "What to Read on Social and Economic Subjects." *The Bibliography of Social Science* is issued monthly by the International Institute of Social Bibliography (P. S. King & Son, Great Smith Street, Westminster, S.W.).

In respect of many social problems—the right to work, minimum wage, an eight hours' day, and so on—for which an extreme Socialist solution is put forward, the publications of the various Socialist organisations should be consulted. Their names and addresses are given in the bibliographical note to Chapter XIII.

On the questions which have been more particularly treated in this chapter further reference should be made to the following publications.

Poor Law.—Both the Majority and Minority Reports of the Poor Law Commission have been issued officially in a handy octavo form ("The Majority Report," 2 vols., price 2s. 3d.; "The Minority Report," price 1s. 9d.). An edition of the Minority Report, with introductions by S. and B. Webb, is published by Messrs. Longmans (vol. i., "The Break-up of the Poor Law;" vol. ii., "The Public Organisation of the Labour Market.")

The Majority Report is treated by Mrs. Bosanquet in "The Poor Law Report of 1909."

The Commission have issued special reports on Scotland (price 2s. 8d.) and Ireland (price 9d.), and have also issued over twenty volumes of evidence, appendices, memoranda, and supplementary reports bearing upon various phases of the question. The Report of the Poor Law Commission of 1894 has been reprinted as a Parliamentary Paper.

It should be remembered that the reports cover more ground than is usually associated with the term "Poor Law," and actually deal with such questions as distress due to unemployment, woman and boy labour, labour exchanges, unemployment insurance, and many other phases of the unemployment problem.

The same problem is dealt with by W. H. Beveridge in "Unemployment: a Problem of Industry" and "Unemployment and Trade Unions," by Cyril Jackson. A bibliography of the question is published by Messrs. P. S. King & Son for the London School of Economics.

Unemployment insurance is dealt with by D. F. Schloss in "Insurance against Unemployment" and J. G. Gibbon in "Unemployment Insurance."

The National Insurance Act has produced a number of publications from the Publication Departments of the political parties, and Messrs. Hodder and Stoughton publish "The People's Insurance: Explained by the Rt. Hon. D. Lloyd George, M.P.," and Messrs. Charles Knight & Co. publish "Everybody's Guide to the National Insurance Act, 1911," by Thomas Smith. The report of the Royal Commission on the Railway Strike (Cd. 5922) and a valuable volume, in the light of the recent strikes, Sir Arthur Clay's "Syndicalism and Labour," should be consulted.

CHAPTER XV

RURAL LAND REFORM

THAT it is desirable to get the people back to the land, and that the promotion of small holdings is the best method of attaining this end, are not matters in dispute. The tragedy of our greatest and oldest industry, agriculture, lies in the terrible loss which has occurred in the population of the rural counties. While the general population of England and Wales has more than doubled since 1841, the agricultural portion has shrunk from 2,300,000 * to 988,000.† Seventy years ago agriculture gave employment to one inhabitant in eight; to-day in England and Wales only one in thirty-two finds work on the land.

This fact alone is disquieting; but the migration from the country districts is recognised as an even greater national loss, when it is remembered that it represents a decline in the physique of the country, physical deterioration being the hallmark of urban life.

RURAL DEPOPULATION.

Opinions differ as to the causes of the rural depopulation. It is attributed to the superior attractions of town life; to the defects of the land system; to the decline in prices; and to our present fiscal policy. Whether it arises from one or another of, or from a combination of, these causes is doubtful, but in any case the practical reformer finds a consensus of opinion directing his energies towards the creation of small holdings as the most likely solution of the problem. And naturally his first inquiry relates to a market for the produce of the small holding.

* McCulloch's estimate.

† Census Returns for 1901.

OUR FOREIGN FOOD SUPPLY.

Without customers there is no possibility of success, and markets exist at the small-holder's very doors to supply which organisation alone is required. England's growing population requires feeding, and is fed to-day, but chiefly from foreign sources. Chinese pork, Danish butter, American hams, Russian fowls, and so forth are among the commonest of imports which might be produced from small holdings. The increase in imported foodstuffs is something like six times greater than the increase in our population since 1885. Not only are we not feeding the increase in our population, but we are actually becoming more dependent on imported foodstuffs for our population as a whole. The average annual value of imported bacon, hams, eggs, poultry, vegetables, butter and cheese in 1885-9 was £27,325,000; in 1904-8 £59,385,000. We are in fact more industrialised than any other European nation with which comparison is possible, our agricultural production per head being but £4 14s.,* while the percentage of persons employed in agriculture in the United Kingdom, no more than 5.58.†

The demands of our growing population afford a market for the small-holder's produce, only requiring organisation for its capture. The agriculturist, whether he be of the type for which urban life has attractions compared with present rural conditions, or whether, though wedded to agriculture, he sees better opportunities in the Dominions or the United States, must be kept on the home land in the interests of national welfare. He must have a career opened out for him by the establishment of small holdings.

TENANCY v. OWNERSHIP.

The advocates of small holdings differ, however, on the question of tenancy or ownership. Which offers the greater

* In France it is £18; Germany, £7 10s.; Belgium, £11; Denmark, £16. See Turnor's "Land Problems and National Welfare," p. 66.

† In France, 21.24; Germany, 15.98; Belgium, 10.09; United States, 13.68 (Abstract of Foreign Labour Statistics, Cd. 5415 of 1911, p. xxiii).

attraction? So far as those who favour tenancy are concerned, their decision is not given entirely on the merits of the question. While they do maintain that the small-holder prefers tenancy, they would not encourage or facilitate ownership even if their opinion tended in that direction,* for the reason that their ultimate end is land nationalisation.† This division of opinion follows in the main the division of the two parties. Liberals advocate tenancy; Unionists, ownership. The Liberal Government accordingly in their Small Holdings Act of 1908 limited the measure to the establishment of occupying cultivating tenants under a public authority—the County Councils. Although they did not interfere with the purchase clause of the Act of 1892, which was practically a dead letter, they declined to extend the system of purchase and opposed all attempts to remove the obstacle to the operation of the clause, the necessity under which the would-be purchaser lies of finding 20 per cent. of the purchase money.‡ It is unnecessary to say that in their determination to prevent any increase in the number of owners of land the Liberal Government had the full support of the Socialist Party, which condemns the multiplication of small owners as increasing the number of persons enjoying economic rents, and therefore augmenting “the difficulties of the State in securing that rent, if the class interested in exploitation by rent becomes larger.” §

* “If I thought that under the Act of 1892 there was likely to be a large amount of purchase by tenants in the future I should be inclined to limit rather than to extend the facilities for that purpose” (Mr. L. Harcourt, M.P., House of Commons, June 12, 1907, Parliamentary Debates, p. 1465).

† “The most hopeful form of occupancy for a small-holder is not that of a proprietor, but that of an occupying tenant” (Mr. Asquith, Earlston, October 8, 1908). “They could not settle this question by any system of creating small proprietors. . . . It was upon some Socialistic lines that this question would have to be settled” (Lord Crewe, Doncaster, March 1, 1907).

‡ See letter to *The Times* (March 28, 1908) from Mr. Jesse Collings, M.P.

§ J. Ramsay MacDonald, M.P., “The Socialist Movement,” p. 160.

THE ADVANTAGES OF TENANCY.

The supporters of tenancy assert that there is no desire for ownership on the part of small-holders, who prefer to be tenants. As a fact in England small ownership has never been given a fair trial. It was offered in the Small Holdings Act, 1892, but the terms which required a deposit of 20 per cent. of the purchase price were prohibitive, except to men with a fair amount of capital. The assertion, however, that there is no desire for ownership ignores the lessons of the Irish Land Purchase Movement, and implies the acceptance of the position that English small-holders entertain entirely different opinions from those of the agriculturists of the Continent, where the proportion of land cultivated by owners ranges from over 30 to nearly 90 per cent.*

"THE MAGIC OF PROPERTY."

The principal argument, however, against State ownership is that it is an artificial system and therefore bound to produce less than the best obtainable results. Human nature covets possession whether of land or any other thing. "There can be no doubt," Lord Onslow's Committee on Small Holdings reported, "that in some parts of the country the 'magic of property' is entirely appreciated. It was pointed out that a man who can give a year's notice to his landlord is much more likely to be attracted to the towns than one whose all is invested in the piece of land which he cultivates."†

The movement towards ownership is particularly marked in

* The proportion of land cultivated by owners is 12 per cent. in Great Britain, 85 per cent. in Belgium, 47·50 per cent. in France, 86 per cent. in Germany, and 88 per cent. in Denmark.

† Cd. 8277, par. 123. The following passage in the Report is worth quoting, viz.: "The Committee think it hardly necessary to demonstrate that in the general interest of the community, it is desirable that as large a number as possible of persons should have a direct interest in the land of the country, and that in the interests of agriculture and the productiveness of the soil, it is expedient that the numbers of those who not only occupy, but also have a permanent stake in, the land should be materially increased" (par. 119).

New Zealand, where nationalisation has failed to give satisfaction, and proposals are now under consideration for the establishment of the freehold system.

THE OBJECTIONS TO TENANCY.

Tenancy under the State or under a public authority is indeed a less advantageous system than private tenancy, for the reason that the former owners have no power to show the generosity of the private landowner. If a public authority erects buildings or carries out repairs it must in justice to the general taxpayer lay the full charge on the tenant. If there are bad seasons it can allow no abatement, and must exact every penny of rent. The costs of collection and management are, moreover, higher in its case, than in that of the private owner. Properties under public management have to be made to pay, and the rent charged to the small-holder has to bear, besides all ordinary charges, a sinking fund charge, to enable the County Council, or other authority, to repay the loan for the purchase of the land within the prescribed period. This burden is particularly unjust to the small-holder, who in effect purchases the land for the County Council, and in the end is in no better position himself than when he entered into the transaction. It is indeed recognised that the small-holders "will have, as a rule, to pay more rent per acre than is commonly charged for large farms."* Perhaps the severest indirect condemnation of public ownership is supplied by the Small Holdings Commissioners, who report: "There have been several cases of particularly good purchases where the Council could have afforded to let the land in small holdings at rents

* See Report of Small Holdings Commissioners, Cd. 5180 of 1910. The following examples are taken from the above Report: Broomhill Farm, Notts.: leased by County Council for 26s. an acre, sub-let at 36s. an acre; West Stobswold Farm, Northumberland: leased by Council at £116 a year, sublet at £231. The Council has expended \$1,857, which at 4 per cent. would mean £75 legitimate addition to the £116: Sealyham Estate, Pembrokeshire: rents of sitting tenants immediately raised from 5 to 10 per cent. The Council gets 4½ per cent. on its outlay; Digby, Lanca.: the Council gets 5 per cent; Nordan Farm, Herefordshire: the Council gets 5½ per cent. on its outlay.

considerably less than the former occupiers were paying. The Board (of Agriculture) have taken the view, however, that in such cases the rents charged should be based on the fair rental value, and that the land should not be underlet."* Under State landlordism the public authority, and not the individual tenants, get the advantage of good bargains and low prices. Not what has been paid for the land, but what can be got out of the tenant, is the principle upon which State-landlordism is worked.

THE BURDENS OF OWNERSHIP.

As against this the tenant is freed from certain worries which afflict owners, and might tend to impair the success of the system. His capital is within his own power, and, instead of being sunk in purchase, can be devoted to the development of the farm. This argument, of course, does not apply, if it is proposed to advance the whole of the value of the land, and to allow the purchasing tenant to pay off by instalments, the objection to this course being the long period necessary to give the purchaser "real" ownership. Even in this case, however, considerable sums would have to be expended by the purchaser on the equipment of the holding with buildings, fences and so on, charges from which a tenant would be exempt.

It is urged, too, that bad seasons or domestic troubles can be better faced by a tenant than by an owner. The former may get abatements or permission to postpone payment of rent until better times, and in the last resort he can throw up his holding without loss of much capital, though if this course were generally followed the public authority would find that its expenditure on small holdings had resulted in considerable loss of the ratepayers' money. But the small owner, it is argued, having to rely on his own resources for meeting hard times, would lose all his capital if he abandoned his holding, and rather than do this would have recourse to money-lenders and would mortgage his farm.

* Report of Small Holdings Commissioners, Cd. 5615 of 1911, pp. 12 13.

Where the mortgage was foreclosed it would be impossible to ensure that the holding was retained as a small holding, and not attached to a larger farm, in this way defeating the object of the movement. Unless restrictions were placed on the power of disposition by the owner, he might be tempted to sell his land for purposes other than that of a small holding, and at his death it might be subdivided into uneconomic patches, as so often happened in Ireland,* and now occurs in Holland and parts of France. In any case provision would have to be made against subdivision, sale for purposes other than small holdings, and mortgaging. How far these restrictions would impair the "magic of property" cannot well be determined.

While, therefore, it cannot be argued that ownership is free from drawbacks or is necessarily going to solve the land problem, there are good reasons for holding that it is preferable to State tenancy, and that, subject to suitable and proper restrictions, and in selected cases, facilities for acquiring ownership should be provided for agriculturists.

ASSISTANCE FOR PURCHASERS.

While Unionists unanimously advocate ownership, they differ as to the method by which the small-holder should be assisted to purchase his holding. Two plans are advocated. Under one scheme the State, as in Ireland, would advance the whole of the purchase money, the purchaser repaying by instalments of interest and sinking fund. Under the other advances would be made by a National Land Bank, which,

* "The farm of one tenant often consists not of one or two or even three separate portions of land, but of many detached plots within fenced fields, scattered amongst similar fragments of other holdings. A field of one acre may belong to a dozen persons, each of whom has a plot of his own while the land is under cultivation" (Royal Commission on Congestion in Ireland, Cd. 4097, par. 10). See also E. A. Pratt's "Transition in Agriculture," Appendix, reproducing a plan of the commune of Vledder (Dreuthe), Holland, showing subdivision carried to such lengths that the average dimensions of one group are no more than 380 yards by 14; and of another 1,275 yards by 14, while one cultivator has twenty-three of these holdings in the same village.

accepting the investments of the private shareholder, would also have behind it a Government guarantee.

SECURITY FOR ADVANCES.

So far as both these proposals are concerned the question arises as to the security possessed by the State for the money it has advanced. For the purchase of houses on the instalment system the advances made by building societies do not, unless under exceptional circumstances, cover more than three-quarters of the value, a condition which amply protects such societies against possible loss. The analogy with Irish land purchase is not complete, since there the State advance is limited to the purchase of the landlord's interest only, and under the peculiar conditions of Irish land law the tenant's interest is sufficiently valuable to afford the State ample security for its money.

In Ireland, at any rate, it is almost unprecedented for the State to have to resume holdings through the failure of the purchasers to keep up the payment of the instalments of their annuities; and there is little reason to presume that the English purchaser, especially as he would be more carefully selected, would be less prompt in paying his instalments.

THE OBJECTION TO STATE CREDIT.

The difficulty of those who advocate State advances is similar to that which has availed so much to retard Irish land purchase. To buy out the existing landowners payment in cash is necessary. The State would have to raise the money by the issue of stock. So long as that stock stood at a premium, or even at par, the plan would work well. But with Government stocks at present much below par, it is difficult to imagine that the market price of Land Stock would not sink below its face value. Under these circumstances, to raise £100 cash means the issue of more than £100 stock. To charge the excess stock, and the interest upon it, against the State is unthinkable, while to make the tenant responsible places upon him an unfair burden and causes him to pay more for his land than its market price in cash.

NATIONAL LAND BANKS.

A more promising method of financing land purchase would seem to be the establishment of a National Land Bank, borrowing money privately but possessed of a Government guarantee. Such banks exist on the Continent, and provide money for land purchase at reasonable rates of interest.* Some advance the whole, others a part only, of the purchase money. In the latter case the purchaser finds the remainder, which more generally represents but a small part of the purchase price. Lest, however, the provision of this portion should prove an obstacle to the establishment of small ownership, various proposals have been made for obviating the necessity for making such a demand. The balance, it is suggested, might be advanced by the County Councils in the shape of a second mortgage, or the amount might be left on mortgage with the vendor. Another proposed method of assistance is the suspension of the operation of the sinking fund for a number of years.†

A comparatively modest proposal, and one which, moreover, possesses the advantage of being capable of being grafted on the existing small holding system, has been suggested by Lord Camperdown.‡ Under the Small Holdings Act the County Councils charge their tenants an annual sum which in eighty years will recoup the Councils for their expenditure in purchasing land. Lord Camperdown proposed that a separate account of this item of rent should be kept, and that the tenant, on giving six months' notice, should have the right of purchasing his holding on payment of the difference between the recoupment payments credited to him and the amount necessary to completely recoup the Council for the purchase of the land. It is not matter for surprise, however,

* See letter of Sir Gilbert Parker, M.P., *Times*, May 11, 1911.

† The rival schemes are set out in legislative form in the Small Ownership and National Land Bank Bill (House of Lords), No. 86 of 1911, and the Purchase of Land Bill (House of Lords), No. 88 of 1911. See House of Lords Debates, May 2 and 8, 1911.

‡ See House of Lords Debates, May 9, 1911. Small Holdings (Tenants Acquisition) Bill, House of Lords Bill, No. 142 of 1911.

that a Government in sympathy with land nationalisation should have opposed this unambitious plan for encouraging small ownership.

By itself a small holdings system cannot hope to stand, whether the principle of tenancy or ownership be adopted. Assistance is required in the direction of credit and co-operation. Something, although little, has already been done in England, and much more has been effected in Ireland. On the Continent credit banks have reached a remarkable degree of development,* and the supporters here of the National Land Bank system very properly urge in support of their proposals that its secondary function would be the encouragement of co-operative credit for small-holders.

Capital is essential to the small holder, and his need of it often compels him to borrow at usurious rates, or to run into debt with dealers, who frequently get possession of the farm by purchasing its produce. The latest advocates of small-holdings endeavour to avoid these dangers by advancing loans for short periods at cheap rates, in order to establish a system of co-operative credit.

In Germany action has proceeded chiefly upon the lines of the Raiffeisen Banks, the object of which is to afford the small man financial credit for development purposes.† In Ireland Sir Horace Plunkett has established numerous banks on this principle, to the anger of the "gombeen" man, but to the advantage of the small-holder.‡ In England but little

* See H. W. Wolff, "People's Banks."

† The Schulze-Delitzsch Banks follow another system of co-operative credit, but their dominant feature is the encouragement of thrift. An exhaustive account of these banks and of similar institutions in other countries has been written by H. W. Wolff in "People's Banks."

‡ On December 31, 1909, there were 234 credit societies under the control of the Irish Agricultural Organisation Society, with a membership of 18,422, a loan capital of £56,469, and an annual turnover of £57,641 (Annual report of I.A.O.S. for the year ending June 30, 1910, Appendix Q, Statistical Abstract X). For an excellent summary of the objects and constitution of these banks in Ireland see Memorandum by the Secretary of the I.A.O.S. on pp. 76-82 of the above Report.

has been done.* There is, however, before Parliament a Bill promoted by Lord Shaftesbury, which was read a second time in the House of Lords on July 27, 1911,† and another, a Government measure, empowering the Board of Agriculture to promote, extend, and assist agricultural credit and insurance societies, was read a second time on August 1, 1911.‡ The former measure applies generally to the United Kingdom but the Government Bill applies only to England. The latter gives the State power to assist and promote credit banks, whereas Lord Shaftesbury's Bill provides for banks acting upon their own responsibility, and relying upon their own endeavours.

Co-operative credit forms, however, but a part of the small-holdings policy, for the principle of co-operation is extended to the actual buying and selling of the various needs of agriculture and of the agriculturist, and to the marketing of the produce of the small-holders. This system is in operation in Germany, France, and Denmark,§ and in Ireland it has attained remarkable proportions through the activities of the Irish Agricultural Organisation Society.|| In England and Scotland the movement is making headway, and in England is officially encouraged, the Agricultural Organisation Society being in receipt of a subsidy from the State. It is late in the day to urge the advantages of co-operation; but it would be untrue to assert that agriculturists of the smaller class as yet universally appreciate its benefits. So far as production is concerned, purchase of seeds, manures, feeding-stuffs, and implements in small quantities means higher prices, higher rates for transport, and often articles of inferior quality. Co-operative purchase removes or alleviates these unfavourable

* In June, 1910, there were but 82 agricultural credit societies, with 465 members, and deposits amounting to £1,177 (House of Commons Paper, No. 166 of 1910).

† House of Lords Bill, No. 86 of 1911.

‡ House of Lords Bill, No. 140 of 1911.

§ See C. R. Fay, "Co-operation at Home and Abroad."

|| See Sir Horace Plunkett's "Ireland in the New Century" and the Annual Reports of the Irish Agricultural Organisation Society (Plunkett House, Dublin).

conditions, and in the same way in relation to distribution promotes efficiency and economy in packing, grading, and marketing goods, and consequently the realisation of better prices, while by means of organisation and combination it reduces the cost of transport and of middlemen's commission charges.

As to the necessity for credit banks and co-operation as adjuncts to the system of small holdings there is no dispute, and it is matter for congratulation that however much difference of opinion there may be between the advocates of tenancy and ownership, there is entire agreement as to the need for encouraging co-operation in respect of credit, production, and distribution among small-holders.

SUMMARY OF ARGUMENTS FOR AND AGAINST AN OWNERSHIP SYSTEM OF SMALL HOLDINGS.

FOR.

1. A successful small-holdings system is more likely to result from a basis of ownership, which gives every small-holder a stake in the land.

2. Ownership acts as an incentive to hard work and steady application, and encourages the small-holder, since he has something to lose in the event of failure, to take a personal interest in his holding

3. The tenant, having little or nothing to lose, is more easily discouraged, and can, and will, throw up his holding if he gets into difficulties.

4. The loss in that case will fall upon the local authorities, and ultimately upon the ratepayers, whose money ought not to be employed upon schemes in which there is any risk.

5. The "magic of property," while it is largely a matter of sentiment, is a powerful factor in the success of a small holding, or of any other, system.

6. The absence at the present time of a demand for ownership is no proof that ownership in practice would not prove popular.

7. No opportunity of proving the ownership system has yet occurred, the necessity which lies on the small-holder of finding 20 per cent. of the purchase money acting as an unsurmountable obstacle to purchase.

8. On the Continent, where the small-holder has been granted facilities for purchase, every advantage of them has been taken.

9. The superiority of ownership over tenancy is shown by the statistics of those countries where the majority of small-holders are owners.

10. There is no need for the small-owner to sink much, or even any, capital on the land at the outset; nearly all, if not all, the purchase

money can be advanced to him, and the repayment of the loan can be suspended during the first few years of the occupancy.

11. Co-operative credit enables the small-holder who buys to borrow on easy terms, without having recourse to money-lenders, such money as he needs to develop his holding or tide over bad times.

12. In any case the annual charge for paying off the loan for the purchase of the holding will not, or should not, be more than the small-holder pays by way of rent to the public authority.

13. On the other hand, the rent charged by the public authority to a tenancy small-holder includes a sum which enables the County Council in a given number of years to completely recoup the loan raised for purchasing the land.

14. The tenancy small-holder, in fact, buys the land for the County Council, but always remains a tenant.

15. Under the ownership scheme the small-holder's payments would result in his buying his holding for himself.

16. It is true, that in order to preserve small holdings as such, proper restrictions have to be placed upon the use of the land, and the owner prevented from disposing of it for any purpose other than that of a small holding.

17. Such restrictions are, however, in operation on the Continent, where they are not found to impair or destroy the popularity of the policy of ownership.

18. An extensive system of small ownership is a valuable bulwark against Socialism.

19. Ownership by public authorities of land occupied by small-holders as tenants is a condition favouring further progress towards the realisation of the Socialist scheme of land nationalisation.

AGAINST.

1. As a business proposition ownership has no advantages over tenancy.

2. The tenant under a public authority enjoys perfect security of tenure, but is free from the bonds which bind an owner to his land.

3. He receives full compensation for his improvements at the expiration of his tenancy.

4. The idea of ownership is largely a matter of sentiment, and does not weigh with small-holders.

5. Tenancy enables a small-holder to put his capital into the land for cultivation instead of hoarding it in order to purchase.

6. Under any system of instalment purchase the small-holder is no more than a nominal owner, until he has paid off the purchase price of the holding after many years.

7. All this time he is bound to the land, having sunk his capital therein.

8. This condition of dependence compels him to mortgage the land, or to have recourse to money-lenders in bad times.

9. The want of free capital to meet bad seasons leads to straitened circumstances, laborious toil, and deprivation of all but the barest necessities, in order to the satisfaction of the demands of creditors.

10. The owner has himself to provide for buildings, repairs, upkeep, and other charges, from which the tenant is relieved.

11. These dangers threaten the success of any small-holding system based on ownership.

12. The tenant small-holder, on the other hand, is free from these financial responsibilities, and in bad seasons may be assisted by the owning public authority, which may agree to take a lower rent for the time on the tenant agreeing to make up the deficiency when the crisis is passed.

13. Under the ownership system small holdings are subjected to restrictions in respect of sale, mortgage and subdivision, which more than counterbalance the sentimental attractions of possession.

14. The tenant small-holder is free to give up his holding without losing all his capital if he finds that agriculture does not suit him, or if he desires to embark upon farming upon a more extensive scale on a larger farm.

BIBLIOGRAPHY.

Literature on the Small Holding movement can be obtained from the Small Ownership Committee (4, Regent Street, W.) and from the Rural League (110 Strand, W.C.). Both organisations advocate ownership—the former through a National Land Bank, and the latter by State credit.

Sir Gilbert Parker's "The Land, the People, and the State" puts forward the claims of the National Land Bank, and also deals with the cognate questions of credit and co-operation. "Land Reform," by the Rt. Hon. Jesse Collings, M.P., deals with the question of small holdings, and advocates the claims of State credit. "Small Holders," by Edwin Pratt, sums up against ownership, but in favour of co-operation and organisation. Other books by the same author are "The Organisation of Agriculture" and "The Transition of Agriculture." The standard book on agricultural credit is "People's Banks," by H. W. Wolff, and on agricultural co-operation "Co-operation at Home and Abroad," by C. R. Fay.

For Ireland Sir Horace Plunkett's "Ireland in the New Century," supplemented by the annual reports of the Irish Agricultural Organisation Society, gives a full account of the movement. The arguments for co-operation and the development of small holdings in England may also be studied in the publications of the Agricultural Organisation Society (Queen Anne's Chambers, Tothill Street, Westminster, S.W.).

Miss Jebb's "Small Holdings" gives an excellent account of a tour through the various small-holding colonies in England before the Act of 1908. There is much, too, to be learned from "Land and Labour Lessons from Belgium," by H. Seebohm Rowntree.

Christopher Turner's "Land Problems and National Welfare" describes agricultural conditions as they exist to-day.

INDEX

ADULT Suffrage, 234
 Bibliography, 257
 Afghanistan, importance to India
 diminished, 71
 Agriculture—
 Co-operation, 400
 Organisation, 400
 Population engaged in, 390
 Agriculture, Department of, 269
 Albania, 81, 82, 101
 Algceiras, Treaty of, 102
 "All Red" Route, 172
 Alternative Vote, 244, 247
 Appellate Jurisdiction Bill, 175
 Arbitration, *see* Peace movement
 Arbitration awards, enforcement
 of, 176
 Armaments, expenditure on, an
 insurance, 57
 Employment to labour, 55
 German opinion, 57
 Not excessive, 55
 Army, 30-64
 Arguments for and against a
 small army, 59-63
 Bibliography, 64
 Compulsory Service, 38
 Sir Ian Hamilton on, 42
 Compulsory training, 40
 Defence problem, 35
 Effect of Germany on policy, 31

Elgin Commission Report on
 Army system, 47
 Expeditionary force, 33
 French Socialist opposition to, 54
 Function of, 30
 Haldane, Lord, policy of, 37
 Home defence, National Service
 League policy, 44
 Land frontier, defence of, 34
 Length of service, 33
 Norfolk Commission Report on
 compulsory training, 47, 63
 Opposition of certain politicians,
 30
 Recruiting, compulsory service
 no obstacle to, 44
 Roberts, Lord, military policy, 41
 Territorial, 37-40
 Deficiency in numbers, 40
 Efficiency of, 33, 39
 Triple *entente*, effectiveness of, 32
 Ashley, Wilfrid, M.P., on navy, 7
 Asiatic Law Amendment Act (1907),
 165, 167
 Asiatic Registration Amendment
 Law (1908), 165, 167, 169
 Asquith, Right Hon. H. H., M.P.—
 Activity of Church in England
 and Wales, 315
 Education administration, 299
 Legislation, 295

- Imperial Preference, benefits of, 202
- Income tax, permanent, 326
- Land purchase, opposition to, 392
- Necessities, present taxation of, 323
- Parliament Act, instability of legislation under, 212
- Redistribution, need for, 242
- Referendum, 215
- "Assigned revenues," 335
- Atherley-Jones, L., M.P., Declaration of London, 24
- Australia—
 - Cadet system, 179
 - Defence proposals, 178, 179
 - Naval defence, 178, 179
- Austria—
 - Albania, intervention in, 82
 - Balkan policy, 82
 - German alliance, effect on British navy, 15
- BAGHDAD Railway, 92-100
 - British interests in, importance of, 93
 - British participation in, arguments for and against, 111
 - Capital needed, 93
 - Conditions changed since 1903, 92
 - Construction guarantee, terms of, 94, 95
 - Conventions of 1911, 98, 99
 - British interests threatened by, 99
 - Value to Germany, 99
 - Extensions, 96-98, 99
 - British interests in, 97
 - Financial arrangements, 94
 - Fitzmaurice Lord, on, 93
 - German interests in, 93, 95, 96
 - Koweit, British Protectorate, 95
 - Terminus on Persian Gulf, 95
- Morley, Lord, on British interests, 93
- Persian Gulf section, control essential to Great Britain, 96, 101
- Turkish customs duties, increase in, 94
- Balfour, Rt. Hon. A., M.P., Declaration of London, 28
- Balkan question, 81
- Barnes, G. N., M.P., navy, 12
- Belfast, customs revenue collected at, 273
- Belgium—
 - Congo, annexation of, arguments for and against, 109
 - Belgian policy, 90-92
 - List system of proportional representation, 245
- Beresford, Admiral Lord Charles, M.P., navy, 8
- Birrell Education Bill (1906), 291
- Blockades, difficulty of, 48
- Borden, Rt. Hon. R. L., Canadian navy, 14
- Botha, General, Indian immigration, 170
- British and Foreign School Society, 284
- British Empire, naval contributions, 13
- CABLES—"All Red" Route, 171
 - Rates, 172
- Cadet system, 179
- Campbell-Bannerman, Sir Henry, self-government, 264
- Canada—
 - Indian immigration, 163
 - Japanese immigration, 164
 - Naval proposals, 13
- Capital—
 - Taxation of, 325
 - Effect on industry, 326

- Chailley, M.—
 Indian National Congress, 120
 Indian police question, 117
- Chamberlain, Rt. Hon. J., M.P.,
 Imperial relations, 152
- Chéradame, M., Baghdad Railway,
 99
- China—
 Activity on Indian frontier, 70
 Opium question, *see* Opium
 Question
- Chirol, Sir Valentine, Pan-Islam-
 ism, 89
- Churchill, Rt. Hon. Winston, M.P.,
 navy, 25
- Civil Servants, interchange with
 Dominions, 158
- Class prejudice, weapon of, 348
- Cockerton Judgment, 285
- Collen, Sir Edwin, Indian Army,
 reduction of, 124
- Colonial Office, Elgin secretariat,
 159
- Colonial problems, 152-186
- Colonies, bibliography, 186
- Commercial treaties, liberty of
 withdrawal for British
 Dominions, 178
- Compulsory service, 33, 179
 Australia, 178
 Hamilton, Sir Ian, on, 42
- Compulsory training, 40, 178
 Arguments for and against, 63,
 64
 Fallacies of opponents, 46, 47
 No obstacle to recruiting, 44
 Norfolk Commission Report, 47
- "Conciliation" Bill, 237-239
- Concurrent endowment, 312
- Congested Districts Board, 269
- Congo, the, 89-92
 Belgian annexation, arguments
 for and against, 109
 Belgian policy, 90-92
- Ignorance of critics, 89, 91
- Radical policy inconsistent, 89
- Radicals demand British inter-
 vention, 89
- Conscience Clause, 284
- Constitutional questions, 210-229
 Bibliography, 229
- Co-operation, agricultural, 400
- Cowper-Temple Clause, 284, 297,
 298
- Credit Banks, 399-401
- Crete—
 British policy in, 82-84
 Turkish Supremacy in, 83
- Crewe, Lord—
 Opposition to land purchase, 392
 Possibility of invasion of Great
 Britain, 17
- Cromer, Earl of, Egypt, 85
- Crosthwaite, Sir Charles, Indian
 Army, reduction of, 124
- Cumulative Vote, 245
- "DEAR LOAF" Cry, 193, 200-202
- Death Duties, 325
- Declaration of London, 21-25
 Arguments for and against, 24,
 27-29
- Atherley-Jones, L., M.P., on, 24
- German support of, 23
- Grey, Sir E., M.P., on, 22, 23
- Hamburger Nachrichten* on, 23
- Imperial Conference, views of, 23,
 157
- Mahan, Capt., on, 18
- Opposition to, 22, 24
- Denominational system, *see* Educa-
 tion Question
- Devlin, J., M.P., Separation, 263
- Dinizulu, 182
- Disarmament, *see* Peace Movement
- Disendowment, *see* Disestablish-
 ment

Disestablishment and Disendowment, 304-309

Alleged inequalities removed by, 307

Arguments for and against, 316-319

Asquith, Rt. Hon. H. H., M.P., activity of Church in England and Wales, 315

Assumed anxiety for the Church, 304

Bibliography, 319

Church Funds to be applied to secular purposes, 306

Concurrent endowment, 312

Disendowment the real question, 310-312

Gladstone, Rt. Hon. W. E., on differences between Welsh and Irish Churches, 314

Hostility to the Church, 305

Inseparable from disendowment, 304

Irish, Welsh Church not analogous to, 314

Logical conclusion of, 307

National property argument, 310-311

Nonconformist attitude, 304

Obligations of Establishment, 308, 309

Old Age Pensions to be increased by disendowment, 306

Parliamentary candidates, attitude of, 313

Promise of material gain, 306

Relations of Church and State, 307-310

Results of, 307

Ruling principle of disendowment, 305

Tithes, question of, 311

Welsh, "Alien" Church argument, 313

Church advancing, 315

Disendowment proposals, 305

Majority argument, 312

Only practical politics, 306

No analogy with Ireland, 314

No justification for, 316

Parliamentary candidates, attitude of, 313

Preliminary to English Church, 306

Religious census question, 314

Special argument for, 312

"Double" market, advantages of, 195

Dreadnought class, 5

Dudley Commission, 269

Dumping, 194

EAST AFRICA, Masai question, 184

Education Act (1870), 284, 285

Conscience Clause, 284

Cowper-Temple Clause, 284, 297, 298

Section 96, overridden by Mr. McKenna, 300

Education Act (1902), 285-291

Effect on religious controversy, 285

"Fair wear and tear" Clause, 286

Kenyon-Slaney Clause, 287

Nonconformist opposition, 287

"Passive resistance" movement, 287, 293

Popular control, 288

Rate-aid, 286

Nonconformist opposition to, 288

Runciman, Rt. Hon. W., M.P., hostility to, 295

Teachers' position under, 290

Voluntary Schools under, 286

Education Bill (1906), 291

Facilities Clause, 292

Public opinion against, 292

Special Facilities Clause, 292
 Education Bill (1907), 289, 293
 "A sword," Mr. McKenna's statement, 293
 Education (McKenna) Bill (1908), 293
 Education (Runciman) Bill (1908), 293
 "Right of entry" under, 294, 295, 298
 Roman Catholic schools, position under, 294
 Education Question, 283-303
 Arguments for and against, 300-303
 Asquith, Rt. Hon. H. H., M.P., on legislation, 295
 Bibliography, 303
 Cockerton Judgment, 285
 Contracting-out, 294
 Dual system, 283, 286, 293
 Early history, 284
 Liberal administration unjust, 299
 Little connection with education, 283
 Need for legislation in 1902, 285
 Need for settlement, 295
 "Parents' rights," 296, 298
 School Boards, 284
 Single school areas, 292, 293, 294, 296
 State and religious instruction, 296-298
 Suggestions for settlement, 296-299
 Swansea school case, 299
 "Tests for teachers," 290, 298, 294, 297, 298
 Voluntary system, 284
 Wheelwright schools case, 299
 Egypt—
 Association of Egyptians with administration, 86

British education policy a failure, 88
 Evacuation impossible, 84
 German attacks on British policy, 87
 German influence increasing, 87
 Gorst, Sir Eldon, policy of, 86
 National Assembly reject Suez Canal agreement, 87
 Nationalist Party responsible for murder of Prime Minister, 86
 Nationalist Press, dangerous character of, 86
 Occupation of, Sir Eldon Gorst on time limit, 86
 Representative Institutions, arguments for and against, 108
 Roosevelt, T., speech on British policy, 85
 Effect of, 86
 Self-government impossible, 88
 Unrest analogous to Indian, 84
 Produces financial difficulty, 87
 Stronger measures adopted, 86
 Sympathy of certain British Parties, 84
 Egyptian Questions, 84-88
 Eight Hours Day, 369
 Argument for and against, 382-384
 Electoral systems, Royal Commission on, 243-247
 Elgin Commission Report, need of military system, 47
 Emigration—
 Effect of Tariff Reform on, 192
 From United Kingdom to British Dominions, 161
 England, Church of, *see* Disestablishment and Disendowment
 Expeditionary Force, 33

FABIANISM—

Shaw, Bernard, on, 349

Success of, 349

Supporters of, 349

“Fair wear and tear” Clause, 286

Finance and Taxation, 320-344

Basis of taxation too narrow, 323

Bibliography, 344

Budget of 1909, arguments for
and against, 337-340

Socialist support for, 350

Capital, taxation of, 325

Effect on industry, 326

Death Duties, 325

Food, taxation of, 322

Incidence of taxation on alco-
holic liquors and tobacco,
323, 324

Income Tax, 326-328

Advantages of, 327

Complications of, 327

Gladstone, Mr. W. E., on, 327

Growth of, 327

Imperial regulation, 174

Permanence of, Mr. Asquith on,
326Land, taxation of, *see* Land Taxes

Liquor licences, 324

“Swingeing” duties, 324

Local finance, 333-337

Luxuries untaxed, 322

Necessities taxed, 322

Asquith, Mr. H. H., on, 323

Principles of, 320

Revenue tariff, 320-322

Cost of collection, 321

Effect on prices, 321

Estimated yield, 321

Finland—

Russian Policy, 74-77

Arguments for and against, 107

Fiscal question, 187-209Arguments for and against Tariff
Reform, 208-208**Bibliography, 208**

Fisher, Lord, Defence policy, 58

Fitzmaurice, Lord, Baghdad Rail-
way, 98**Food Prices—**

Under Free Trade, 198, 201

Under Tariff Reform, 192, 200-
202

Food supplies, foreign, 391

Foreign Affairs, 65-112

Bibliography, 112

Parliamentary treatment, 65-67

France—

Morocco, intervention in, 102

Position in, recognised by
Great Britain, 103**Franchise, 230-258**

Adult suffrage, 234

Bibliography, 257

Anomalies of, 231-233

Bibliography, 257-258

“Conciliation” Bill, 237-239

Growth of, 234-236

Lodger franchise, 233

London Elections Bill, 232

Manhood Suffrage, 234, 235

Argument for and against,
227-228“One Man, one Vote,” *see* Plural
Voting

Ownership Franchise, 239

Plural Voting, 232, 239-240

Alleged advantage to Unionists,
240Arguments for and against,
254-255

Bibliography, 258

House of Lords’ attitude, 240

Qualifying period, 232

Reforms suggested, 231-233

Removals, 231

“Service” Franchise, 233

Simplification necessary, 230

“Successive occupation,” 232

Women's Suffrage, 236-239
 Arguments for and against,
 248-253
 Bibliography, 257
 "Conciliation" Bill, 237-239
 Fraser, Sir A., Indian Police, 142
 Free Trade—
 Contrary to modern industrial
 legislation, 188, 192, 193
 Doctrine of "Cheapness," 193
 "Double market," advantages of,
 denied by, 195
 "Dumping," encouraged under,
 194
 Failure of, 190
 Mr. Lloyd George on, 197
 Food, prices under, 198, 201
 Most-favoured-nation clause
 under, 196-198
 Policy of "Manchester School,"
 188
 Prophecies falsified, 191
 Friendly Societies under National
 Insurance Act, 375, 379
 GEORGE, RT. HON. D. LLOYD, M.P.—
 Imperial Preference, benefits of,
 202
 Infamy of war, 51
 Injury from foreign tariffs, 197
 Land Nationalisation, 332
 Separation "unthinkable," 267
 Socialist support for Budget, 350
 George, Henry, support for land
 taxes, 332
 Germany—
 Anglo-Japanese agreement,
 opinion of, 106
 Antagonism to Great Britain,
 104
 Austrian Alliance, effect on British
 navy, 15
 Baghdad Railway, influence in,
 93, 95, 96

Declaration of London, support
 for, 23
 Effect on British Army policy,
 31
 Egypt, influence increasing, 87
 Policy of Great Britain at-
 tacked, 87
 Hostility to Great Britain denied
 by Labour Party, 11
 Invasion of Great Britain, 14
 Morocco, action indefensible, 102
 Naval and military policy, 31
 Navy, British superiority re-
 duced, 7
 Comparison with Great Britain,
 2, 4, 7
 Construction, comparison with
 Great Britain, 7
 Dock accommodation for
 Dreadnoughts, 8
 Limitation of opinions on, 50
 Personnel, comparison with
 Britain, 7, 9
 Reasons for increase of, 12
 Strength in Home waters, 7
 War with Great Britain, 3, 17
 Cost of, 17
 Gladstone, Rt. Hon. W. E.—
 Disestablishment, differences be-
 tween Welsh and Irish
 Churches, 314
 Income Tax, 327
 Gorst, Sir Eldon—
 British occupation of Egypt, time
 limit to, 86
 Egyptian policy, 86
 Goschen, Lord, possibility of in-
 vasion of Great Britain, 17
 Great Britain—
 Invasion of, 14, 16, 17, 37, 47, 48
 War with Germany, 3, 17
 Cost of, 17
 Grey, Sir E., M.P., Declaration of
 London, 22, 23

- Guinness, Hon. W., M.P., Imperial Conference and International politics, motion on, 156
- HALDANE, LORD**, military policy, 87
- Hamburger Nachrichten*, Declaration of London, 23
- Hamilton, Sir Ian, compulsory service, opposition to, 42
- Harcourt, Rt. Hon. L., M.P., opposition to land purchase, 392
- Harrison, Frederic, necessity of security against war, 4
- Henderson, Sir Alexander, taxation, 326
- Hibernian Journal*, 276
- Hibernians, Ancient Order of, 271, 276
- Connection with United Irish League, 276
- Home Rule**, 259-282
- Arguments for and against, 277-281
- Bibliography, 281-282
- Bill, 1886, Parnell's acceptance of as instalment, 261
- Bill, 1893, not accepted as final settlement by Mr. John Redmond, 261
- Colonial analogy, alleged, 265
- Difficulty of definition, 259
- Extremists' opinion, danger of, 270-272
- First measure under Parliament Act, 211
- Half measure, its danger, 260
- No settlement, 259, 267
- Inopportune, 276
- Irish-American opinion, 262-264, 270-272
- Liberal argument for, 259
- Liberal plan, no settlement, 261, 266, 272
- Liberal plan only an instalment, 261, 262-264, 266
- Nationalist meaning of, 260, 266
- Nationality, doctrine of, 261, 266
- Its importance, 264, 266
- Religious aspect, 273-276
- Roman Catholic intolerance, fear of, 273-275
- Safeguards for minorities, 275
- "Separation," 262-264, 266, 267
- Mr. Lloyd George, M.P., on, 267
- Supremacy of Imperial Parliament, 266
- Ulster under, 270-276
- Unionist alternative policy, 267
- Unionist minority under, 270-276
- Safeguards for, 275
- ILLICIT** arms traffic, 80
- Imperial Conference, 152
- Declaration of London, 22
- Public opinion in Dominions, 180
- Results of, 179-181, 184
- Standing Committee proposed, 156
- Imperial Council of State, 155, 159
- Necessity for, 176
- Imperial Court of Appeal, 175
- Imperial Defence, 153-155, 176-179
- Action of British Dominions, 58, 178
- Consultation with Colonial Prime Ministers, 156, 157
- Laurier, Sir Wilfrid, on participation of colonies, 154, 178
- Imperial Naturalisation Laws, 160
- Imperial Preference, 173-174, 199-208
- Asquith, Rt. Hon. H. H., M.P., on its benefits, 202

- George, Rt. Hon. D. Lloyd, M.P.,
on its benefits, 202
- "Most-favoured-nation" clause
an obstacle, 173, 174
- Need for immediate action, 202
- Imperial relations—
Chamberlain, Rt. Hon. J., M.P.,
on, 152
- Suggested developments, 159
- Income Tax, 326-328
- Advantages of, 327
- Complication of, 327
- Gladstone, Rt. Hon. W. E., on
327
- Growth of, 327
- Imperial regulation, 174
- Permanence of, Mr. Asquith on,
326
- Indian Affairs, 113-151
- Activity of China on frontier,
70
- Army—
Reasons urged for economy,
121, 122
- Reduction of, 86, 121-126
- Arguments for and against,
142
- Policy of British Govern-
ment, 124, 125
- Views of experts, 124
- Strength of, 122
- Bengal, partition of, 115
- Bibliography, 150
- Census, 140
- Coronation concessions, 139
- Cotton—
Countervailing duties, 128, 131
- Due to England's policy of
free trade, 129
- Defence problem, 85
- District magistrates, attacks on,
119
- Position of, 119
- Education question, 181-183
- Compulsory Education Bill, 132
- Free Compulsory, arguments
for and against, 145
- Free Trade, the policy of British
Government, 181
- High Courts, failure of, 118
- Hostile attitude of certain
British parties towards
officials, 114
- Liquor question, 183
- National Congress, 120
- Chailley, M., on, 120
- Not representative of the
people, 120
- Officials, hostility to, 114, 116,
117, 119
- Opium question, *see* Opium
Question
- Parliamentary discussion of
questions, 118
- Police question, 116-118
- Allegation of cruelty and
corruption, 117, 118
- An Indian force, 116
- Chailley, M., on, 117
- Efficiency, arguments for and
against, 140-142
- Population of, 140
- Preferential tariff, 190
- Arguments for and against,
143-145
- Publicity of official acts, 114
- Railway development towards,
100-102
- Representative government, ex-
tension of, arguments for
and against, 147-150
- Revenue, loss from opium traffic,
184, 186
- Roosevelt, T., Egyptian speech
applicable to India, 85
- Russian advance, apprehensions
relieved by Anglo-Russian
Convention, 70

- Russian invasion of, 35
 Tariff Reform necessary, Lord
 Minto's view, 129
 Tea, labour question, 180
 Preference for, 180
 Wealth of, British drain alleged,
 126
 Sir Theodore Morison on, 126
 Indian Emigration (Canada) Act
 (1883), 163
 Indian immigration, 162-165, 166-
 170
 To Crown Colonies and Pro-
 tectorate, 165, 182
 Indian indentured labour, 181
 Insurance Act, *see* National Insur-
 ance Act
 Invalidity, insurance against, *see*
 National Insurance Act
 Ireland—
 Agriculture, Department of, 269
 Ancient Order of Hibernians, 271,
 276
 Connection with United Irish
 League, 276
 Bibliography, 281-282
 Congested Districts Board, 269
 Dudley Commission, 269
 Home Rule, *see* Home Rule
 Industrial development, 270
 Irish Agricultural Organisation
 Society, 269
 Land Purchase, 268
 Local Government, Nationalist
 promises of toleration, 274
 Unionist representation, 275
 National University, Cardinal
 Logue on, 276
 "Recess" Committee, 269
 Representation at Westminster
 under Act of Union, 242
 "Self-help" movement, 268-270
 Sinn Féin movement, 271
 Ulster question, 270-276
 Unionist development policy,
 268-270
 Unionist minority, position of,
 270-276
 Local Government, 275
 Safeguards for, 275
 Irish Agricultural Organisation
 Society, 269
 Irish Industrial Development
 Association, 270
 Irish Nationalist Party—
 Attitude in time of war, 260
 "Bankrupt," 262
 Deny Irish prosperity an alterna-
 tive to Home Rule, 264
 Extremist opinion, attitude
 towards, 270-272
 Imperialist views, 262
 Intolerance of minorities, 275
 Promises of toleration, 274
 Redistribution, 242
 "Self-help" movement, opposi-
 tion to, 268-270
 Speeches in U.S.A., 262-264
 Ultimate aim, 263, 267
- JAPAN—**
 Agreement with Great Britain,
 104
 Opinion of British Empire, 105
 Opinion of Germany, 106
 Renewed 1911, 105
 Immigration to Canada, 164
- KENYON-SLANEY Clause, 287**
 Kettle, Prof. T. M., separation, 263
 Koweit—
 Baghdad Railway terminus on
 Persian Gulf, 95, 101
 British Protectorate, 95
- LABOUR—**
 Conditions of, 369-379

- Hours of, 367
 Eight hours day, arguments for and against, 382-384
 Protection for, against Eastern competition, 190
 Labour Exchanges, 368, 374
 Extension on Imperial basis proposed, 158
 Labour Party—
 A Socialist Party, 349, 352, 354
 Attitude towards Indian Immigration to South Africa, 170
 Contributions to, 354, 355
 Czar of Russia, opposition to, 71-73
 Deny German hostility, 11
 Growth of, 353, 354
 Hostile attitude towards Indian officials, 114
 Moroccan Question, opposition to British Government policy, 108
 Navy, attitude on, 11
 Views not supported by Continental colleagues, 12
 Osborne Judgment, 354-358
 Arguments for and against, 358-361
 MacDonald, J. Ramsay, M.P., on defiance of, 355
 Payment of Members no alternative, 218, 357
 Proposals for alteration, 356
 Reversal of, suggested, 355
 Payment of Members, 218, 357
 Support of Masai Tribe, inconsistency of, 184
 Labour Representation Committee, 353, 354
 Socialist representation on, 354
 Land, Agricultural—relief afforded to, 334
 Burden of rates on, 334
- Land Nationalisation—
 George, Rt. Hon. D. Lloyd, M.P., on, 332
 George, Henry, on attainment through taxation, 332
 Objective of land taxes, 332
 Ure, Rt. Hon. A., M.P., on objective of land taxes, 333
 Land Purchase proposals, 396-401
 Land Reform, 390-403
 Land taxes, 328-338
 Argument for and against, 340-343
 Bibliography, 344
 Effect on local finance, 333
 Failure of, 333
 George, Henry, support for land taxes, 332
 Nationalisation, the objective of, 332
 Political advantage of, 328
 "Site value," 330
 Undeveloped land duty, 330-332
 Effect on housing and building, 331
 Unearned increment, 329
 Ure, Rt. Hon. A., M.P., on nationalisation principle of, 333
 Lansdowne, Lord, Reform of House of Lords Bill, 219
 Laurier, Sir Wilfrid, participation of Colonies in Imperial Defence, 154, 178
 Law, Rt. Hon. A. Bonar—
 Foreign affairs, 104
 Socialism, 387
 Liquor question—
 Effect of new duties on local finance, 336
 Runciman, Rt. Hon. W., M.P., on, 325
 "Swingeing" duties on licences, 324

- Taxation, 324**
List system, 245
Local finance, 333-337
 "Assigned revenues," 335
 Bibliography, 344
 Cost of new legislation, 334, 336
 Increased expenditure, result of
 demand for efficiency, 337
 Land taxes, effect of, 338
 Liquor duties, effect of, 336
 Local taxation for national
 services, 335
 Need for revision, 334-337
 Old Age Pensions, effect of, 336
 Rates, increase in, 337
 Road Board, effect of, 336
Local government, increased cost
 of, *see* Local Finance
Local taxation, Royal Commission
 on, 334-336
Lodger franchise, 233
Logue, Cardinal, National Univer-
 sity to be made Catholic,
 276
London Elections Bill, 232, 240
Lords, House of—
 Attitude towards Plural Voting
 Bill, 240
 Bibliography, 229
 Creation of Peers threatened,
 210
 Education Bill (1906), 292
 Liberal measures rejected, 220
 Peaceful coercion of, 210
 Reform, 214, 216, 219-221
 Hereditary right abandoned,
 219
 Unionist plans, 219-221
 Surrender, effect of, 210
Lucas, Lord, army, 63
Lynch, H. F. B., Baghdad Railway,
 100
Lytton, Lord, publicity of Indian
 officials, 115
- MACDONALD, J. RAMSAY, M.P.,**
 Osborne Judgment defied,
 355
McKenna, Rt. Hon. R., M.P.—
 Education Bill "a sword," 293
 Unjust educational administra-
 tion, 299
Mahan, Capt., Declaration of Lon-
 don, 18
Manchester School, Free Traders,
 188
Manhood suffrage, 234, 235
 Arguments for and against, 227-
 228
Manning, General Sir William,
 Somaliland, 79
Masai tribe, 184
Members of Parliament—
 Payment of, 217
 Arguments for and against,
 225-227
 No alternative to reversal of
 Osborne judgment, 218, 357
 Repayment of expenses, 218
Migration within the Empire, 161
Milner, Viscount, army, 63
Miners Federation join Labour
 Party, 349, 354
Minimum wage, 370-372
 Arguments for and against, 384
Mining royalties, taxation of, argu-
 ments for and against, 343
Minorities, representation of, 243-
 247
Minto, Lord, Tariff Reform neces-
 sary for India, 129
Money, Chiozza, M.P.—
 Cost of living, 199
 Navy, 6
Monis, M., navy, 12
Montagu, Hon. E. S., M.P.—
 Free Trade for India, 181
 Indian Army, reduction of, policy
 of British Government, 125

Morison, Sir Theodore, wealth of India, 126

Morley, Lord—
 Attitude towards criticism of Indian officials, 114
 Baghdad Railway, British interests in, 98

Moroccan Question, 102-104
 British Government policy, 103
 Labour opposition to, 103
 Franco-German Agreement, British support of, 104
 Terms of, 104
 French intervention, 102
 French position recognised by Great Britain, 103
 German action indefensible, 102

Most-favoured-nation Clause—
 An illusory benefit, 196-198
 Obstacle to Imperial preference, 173, 174

NATIONAL Insurance Act, 373-379
 Bibliography, 389
 Classes unnecessarily insured, 373
 Competition under, 379
 Defects of, 376
 Friendly Societies, treatment of, 375, 379

Invalidity—
 German system, 377
 Omissions in, 378
 Small provision for, 377
 Unemployment Insurance, 373-375

National Land Banks, 398-401

National Service League, Home Defence policy, 44

National Society, 284

Naturalisation within the Empire, 160

Navy, 1-29
 Additions to, 6

Arbitration treaties without influence on, 19

Arguments for and against a reduced navy, 25-27

Australian, 178-179

Austro-German alliance, effect of, 15

Bibliography, 29

Blockades, difficulty of, 48

Canadian proposals, 13

Comparison with Germany, 2, 4, 7

Comparison with other countries, 4

Construction, comparison with Germany, 7

Cost of, and social reform, 21
 A small insurance, 20

Dock accommodation for Dreadnoughts, 9

Dominion navies, 154, 177, 178, 179
 Co-operation with British, 177

Dreadnought Class, 5

Estimates (1911-12), 2

Financial reforms needed, 19

Guarantee against invasion, 14-16

Imperial contributions, 13

Labour Party attitude, 11

Lessons of Russo-Japanese War, 18

Liberal Government attitude, 9, 11, 55, 58

Liberal Party, divergent opinions of, 11

Limitation of, German opinion, 50

Necessity for, 13, 14

Personnel, comparison with other countries, 7, 9

Strength, 4-5
 In Home waters, 7

Superiority over Germany reduced, 7

Supremacy endangered, 3, 6-8, 15

Two-Power standard, 1, 3, 5

- Near-Eastern questions, 82-84
 Negotiation encouraged by Tariff Reform, 196
 Nigeria, South, liquor question, 183
 Nonconformist "Free" Churches—
 Inaccuracy of name, 309
 No separate Welsh organisation, 314
 Parliamentary regulation of, 309-310
 State control of, 309, 310
 "Non-provided" schools, 286
 Norfolk Commission Report on compulsory training, 47
- O'CONNOR, T. P., M.P., Home Rule, definitions of, 265
- Old Age Pensions, 366
 Cromer Amendment, misrepresentation of, 347
 Effect on local finance, 336
 Future extensions, 367
 Increased by disendowment, 306
 "One Man, one Vote," *see* Franchise, Plural Voting
 "One Vote, one Value," *see* Redistribution
- Opium question, 183-89
 China—
 Agreement with, 133, 134
 Cultivation, 137, 138
 Extinction of traffic, arguments for and against, 146
 Effect on Indian revenue, 134, 136
 Future cultivation, 138, 139
 Position of native States, 135, 138, 139
 Substitutes for, use increasing, 137
 Use necessary, 135
- Osborne Judgment, 354-358
 Arguments for and against, 358-361
- MacDonald, J. Ramsay, M.P., on defiance of, 355
 Payment of Members no alternative, 218, 357
 Proposals for alteration, 356
 Reversal of, suggested, 355
 Ownership franchise, 299
- PAN ISLAMISM, 84, 88
 Parliament Act—
 Arguments for and against, 221-223
 Bibliography, 229
 Encourages alteration of laws, 212
 Home Rule first measure under, 211
 Legislation under, instability of, 212, 215
 No obstacle to Unionist measures, 213
 Not a complete settlement, 213
 Single-chamber government established by, 211
 Two years' delay a sham, 212
- Parents' rights, 296, 298
- Parnell, C. S., Home Rule Bill, 1886, an instalment, 261
- "Passive resistance" movement, 287, 293
- Payment of Members, 217
 Arguments for and against, 225-227
 No alternative to reversal of Osborne Judgment, 218, 357
- Peace movement—
 Arguments for and against, 59-63
 Continental opinion of, 50, 53
 Roosevelt, Theodore, on, 51
 Taft, President, on arbitration, 52
 Weakness of, 49, 51
- Persia—
 Anglo-Russian Convention, 67-71

- Failure of Parliamentary government, 69
 Illicit arms traffic in Persian Gulf, 80
 Railway development in, *see* Baghdad Railway
 Pitt, William, possibility of invasion of Great Britain, 16
 Plunkett, Sir Horace—
 Irish Agricultural Organisation Society, 268-270
 Self-help movement, 268-270
 Plural voting, 232, 239-240
 Alleged advantage to Unionists, 240
 Arguments for and against, 254-255
 Bibliography, 258
 House of Lords attitude, 240
 None under Referendum, 240
 Poor Law Commission, 368
 Minority Report, 368
 Poor Law reform, 367
 Bibliography, 388
 Popular control in education, 288
 Pretyman, E. G., M.P., land values, 830
 Privy Council Judicial Committee, weakness of, as Imperial Court of Appeal, 175
 Proportional representation, *see* Representation, Proportional
 Protection, *see* Tariff Reform
 "Provided" schools, 286

 RAIFFEISEN BANKS, 399
 "Recess" Committee, 269
 Reciprocity, *see* Imperial Preference
 Redistribution—
 Asquith, Right Hon. H. H., M.P., on need for, 242
 Irish Nationalist attitude, 242
 Need for, 241

 "One vote, one value," 241
 Unionist proposals, 242
 Redmond, John, M.P.—
 Attitude towards Irish remedial legislation, 264
 Education (Runciman) Bill, 1908, Roman Catholic Schools under, 294
 "Extremists," attitude towards, 271
 Home Rule Bill, 1898, not a final settlement, 261
 Imperialist opinions, 262
 Inconsistencies, 262
 Irish Nationalist Party bankrupt, 262
 National independence, 264
 Promises toleration in Irish local government, 274
 Stands where Parnell stood, 261
 Supremacy of Imperial Parliament, 266
 Ultimate aim, 263
 Rees, Sir J. D., Indian questions, 113
 Referendum, 214-216
 Arguments for and against, 228-225
 Asquith, Right Hon. H. H., M.P., on, 215
 Australia, 214, 216
 Bibliography, 229
 Inequalities of representation avoided, 240
 No plural voting under, 240
 Radical opinion, 215
 Representation, 230-258
 Alternative vote, 244, 247
 Bibliography, 257-258
 Cumulative vote, 245
 Inequalities, *see* Redistribution
 Inequalities avoided under referendum, 240
 Ireland under Act of Union, 242

- Need for other methods, 242
 Proportional, 243, 245-247
 Arguments for and against, 255-257
 Bibliography, 258
 List system, 245
 Transferable vote, 246
 Arguments for and against, 255-257
 Bibliography, 258
 Royal Commission on, 243-247
 Second Ballot, 243
 Revenue tariff, *see* Tariff Reform
 Right of capture at sea, *see* Declaration of London
 Right of entry, 294, 295, 298
 "Right to Work," 370
 Arguments for and against, 381
 Road Board, effect on local finance, 396
 Roberts, Lord, army training, 41
 Ronaldshay, Earl of, India, 131, 143
 Roosevelt, Theodore—
 British policy in Egypt, speech on, 85
 Applicable to India, 85
 Effect of, 86
 Peace movement, 51
 Rosebery, Lord, Lords Reform resolution, 219
 Runciman, Right Hon. W., M.P.—
 Education Act, 1902, to be "wiped out," 295
 Liquor question, 325
 Rural depopulation, 390
 Rural land reform, 390-403
 Bibliography, 403
 Ruskin, John, on peace and war, 49
 Russia—
 Advance towards India, effect of Anglo-Russian Convention, 70
 Convention with Great Britain respecting Persia, 67-71
 Finnish policy, 74-77
 Arguments for and against, 107
 Friendly relations with, argument for and against, 106
 Invasion of India by, 35
 Labour Party, opposition to Czar, 71-73
 Russo-Japanese War, naval lessons of, 18

 ST. ALDWYN, LORD, effect of bread duty on price, 321
 Sanderson Committee, on Indian emigration to Crown colonies, &c., 165, 182
 School Boards, 284, 285
 Schulze-Delitzsch banks, 399
 Schuster, Sir Felix, taxation, 326
 Second ballot, 243
 Second chamber, *see* Lords, House of
 Seely, Col., M.P., Indian Army, reduction of, 124
 "Service" franchise, 233
 Shaw, Bernard, Fabianism, 349
 Shipping combinations, 175
 Sickness, insurance against, *see* National Insurance Act
 Single-Chamber government, 211
 Single school areas, 292, 293, 294, 296
 Single transferable vote, 246
 Arguments for and against, 255-257
 Bibliography, 258
 Sinn Fein, 271
 "Site value," 330
 Small Holdings—
 Act of 1908, 392
 Increased rents under, 394, 396
 Bibliography, 403
 Co-operation, 400
 Credit banks, 399-401
 "Magic of property," 293

- Market for produce, 391
- Onslow Committee on ownership, 393
- Ownership, 393
 - Arguments for and against, 401-403
 - Burdens of, 395
 - Camperdown proposal, 398
 - Continental conditions, 393
 - Labour opposition, 392
 - National land banks, 398-401
 - Proposals for purchase, 396-401
 - Restrictions on subdivision, 396
 - Socialist opposition, 392
 - State credit for, 397
- Tenancy, advantages of, 393
 - Objections to, 394
 - v. ownership, 391-397
- Snowden, Philip, M.P., Labour Party and Socialism, 249
- Socialism, 345-362
 - Bibliography, 361
 - Budget of 1909 and, 350
 - Capture of Trade Unions for, 352-354
 - Class prejudice, 348
 - Difference from social reform, 350
 - Evolutionary, 346
 - Fabianism, success of, 349
 - Labour Party support for, 349, 352, 354
 - Labour Representation Committee and, 354
 - Modern tendencies towards, 347, 351
 - Opposition to, misrepresentation of, 347
 - Parties in Great Britain, 345-347
 - Poor Law Commission, Minority Report, 368
 - Radical Party, relations with, 348, 352, 354
 - Revolutionary, 345
 - Social reform, influence on, 366
 - Types of, 345-347
- Socialists, Continental—
 - Anti-military policy in France, 54
 - Support strong navy, 12
- Social Reform, 362-389
 - Bibliography, 388
 - Cost of, 380
 - Definition of, 363
 - Electoral advantages of, 364
 - Helps Tariff Reform, 188
 - Naval expenditure, influence on, 21
 - Rarely party question, 363
 - Socialism, influence of, 366
 - Unionist Party and, 364
 - Unionist policy, future, 365
- Somaliland—
 - Abandonment of hinterland, arguments for and against 108
 - British policy in, 77-80
 - Illicit arms traffic, 80
- South Africa—
 - Compulsory training, 178
 - Indian immigration, 162, 165, 166-170
 - Attitude of British Labour Party, 170
 - Terms of provisional settlement, 170
- State interference, 188
- Strikes—
 - Arguments for and against, 384-388
- "Successive occupation," 232
- Swansea school case, 299
- TAFT, PRESIDENT, on arbitration, 52
- Tariff Reform, 187-209
 - Arguments for and against, 203-206

- "Double" market, advantages of, obtained by, 195
 Dumping prevented under, 194
 Eastern competition renders necessary, 189, 190
 Emigration under, 192
 Food, prices under, 192, 200-202
 Growth of opinion in favour of, 187
 Helped by social reform, 188
 Imperial Preference, 199-208
 Benefits of, Asquith, Rt. Hon. H. H., M.P., on, 202
 George, Rt. Hon. D. Lloyd, M.P., on, 202
 Need for immediate action, 202
 India, Lord Minto on its necessity, 129
 Indian preference, arguments for and against, 143-145
 Japanese competition, its influence on, 189
 Negotiation, power of, encouraged, 196
 Opponents' arguments falsified, 198
 Part of modern industrial legislation, 188, 192, 193
 Prices under, 193
 Revenue tariff, 320-322
 Cost of collection, 321
 Effect on prices, 321
 Estimated yield, 321
 Wages under, 192
 Who pays the duty? 193, 321, 322
 Taxation, *see* Finance and taxation
 Teachers—
 Position in elementary schools, 290, 293, 294, 297, 298
 Territorial Army, *see* Army
 "Tests for teachers," 290, 293, 294, 297, 298
 Tithes, 311
 Trade Disputes Act, 357
 Trade relations, 187-209
 Bibliography, 208
 Trade Unions—
 Captured for Socialism, 352-354
 Osborne Judgment, 354-358
 Arguments for and against, 358-361
 MacDonald, J. Ramsay, M.P., on defiance of, 355
 Payment of Members no alternative, 218, 357
 Proposals for alteration, 356
 Reversal of, suggested, 355
 Privileged position as political associations, 357
 Transferable vote, 246
 Arguments for and against, 255-257
 Bibliography, 258
 Transvaal, Indian emigration, 165, 166-170
 Triple *entente*, effectiveness of, 32
 Trusts, existence under Free Trade, 195
 Turkey—
 Albania, 81, 82, 101
 Army, effect on European politics, 34
 Baghdad Railway, conditions of construction, 94-95
 British attitude towards, 80-82
 Customs duties, increase in, to finance Baghdad Railway, 94
 Expulsion from Europe, the solution of Balkan question, 82
 Future in European politics, 83
 Pan-Islamic policy abandoned, 84, 88
 Supremacy preserved in Crete, 83

Young Turks Party, policy of,
81

Two-Power standard, 1, 3, 5

UNDENOMINATIONAL Schools, public
money voted for building,
299

Undenominational system, *see*
Education Question

Undeveloped Land Duty, 330-332
Effect on housing and building,
331

Unearned increment, 329

Unemployment—
Bibliography, 389
Distress from, 372
See also "Right to Work"

Unemployment insurance, 373-375
Compulsion, difficulties of, 374
Limitations of, 374

Ure, Rt. Hon. A., M.P.—
Land taxes and nationalisation,
333

"Swingeing" duties on licences,
324

VOLUNTARY Schools, 286, 292, 294
Rate-aid for, 286, 288, 297, 298
Unjust Liberal administration,
299

WAGES—
Minimum wage, 370-372
Arguments for and against, 384
Under Tariff Reform, 192
Welsh Disestablishment, *see* Dis-
establishment

Wheelwright Schools Case, 299

Wolseley, Viscount, army, 62

Women's Suffrage, 236-239
Arguments for and against, 248-
253
Bibliography, 257
"Conciliation" Bill, 237-239

YATE, COLONEL, Baghdad Railway,
100

**The Gresham Press,
UNWIN BROTHERS, LIMITED,
WOKING AND LONDON.**

SELECTIONS FROM MR. EDWARD ARNOLD'S LIST OF NEW AND RECENT BOOKS.

SERVICE MEMORIES IN FOUR CONTINENTS.

By Surgeon-General Sir A. D. HOME, K.C.B., V.C.

Demy 8vo. With Portrait. 12s. 6d. net.

These interesting reminiscences of an Army Surgeon on active service cover a wide field of work. Beginning with early years of service in the West Indies, the author soon proceeded to the Crimea, where he remained until peace was declared. A year or two afterwards he joined the expeditionary force destined for China, which was deflected to India by the news of the Mutiny. He was present at the Relief of Lucknow, and won the Victoria Cross for his "persevering bravery and admirable conduct" on that occasion. In 1860 we find him in the East again during the China War, advancing with the Allied Forces to Peking. At the close of 1861, when the Civil War in America seemed likely to embroil Great Britain, Surgeon Home was sent out to Canada, in readiness for anything that might occur. Fortunately the clouds lifted, and before his return to England the author was able to visit Baltimore and Washington, where he gained many interesting impressions of the war then in progress. The volume concludes with an episode in the Maori War in New Zealand in 1864.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W.

NEW FICTION.

TANTE.

By ANNE DOUGLAS SEDGWICK

(MRS. BASIL DE SÉLINCOURT),

AUTHOR OF 'FRANKLIN KANE,' 'VALÉRIE UPTON,' ETC.

Crown 8vo. 6s. Fourth Impression.

"I stand amazed by the qualities of the author's genius. She really can create characters, quite original, and, as it were, not fanciful, not fantastic, but solid samples of human nature. When one lights on something really good in contemporary fiction one has pleasure in saying how excellent one finds the rarity."—MR. ANDREW LANG in the *Illustrated London News*.

"'Tante' is a fine piece of work, well thought out, well constructed, and full of human nature. There is no possible doubt that it will stand out among the most distinguished novels of the year."—*Daily Telegraph*.

"There can be but one opinion as to the merits of this entirely fascinating and able novel, which marks a fresh stage in the development of one of the most remarkable writers of the present day."—*Westminster Gazette*.

"One does not know of any woman writing novels in England to-day who is capable of anything so imposing in invention and so refined in execution as 'Tante.' 'Tante' is a remarkable novel, full of brilliant things and of beautiful things—the strongest work of a very distinguished writer."—*Manchester Guardian*.

THE BRACKNELS.

By FORREST REID.

One Volume. Crown 8vo. 6s.

"A work of rare distinction. 'The Bracknels' is more than brilliant; it is actual; it is true; it is an accurate reproduction of an experience."—*Daily News*.

"An admirable novel, from which one has had no ordinary amount of pleasure."—*Manchester Guardian*.

"A remarkable novel and a novel of character. It is as fine a piece of work as we have come upon for a long time."—*Daily Chronicle*.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W.

NEW FICTION.

MORE GHOST STORIES.

By Dr. M. R. JAMES,
PROVOST OF KING'S COLLEGE, CAMBRIDGE.
AUTHOR OF "GHOST STORIES OF AN ANTIQUARY," ETC.

Medium 8vo. 6s. Second Impression.

"I wish to place myself on record as unreservedly recommending 'More Ghost Stories.' It is Dr. James's method that makes his tales so fascinating. As he puts it in his preface, a ghost story ought to be told in such a way that the reader shall say to himself: 'If I am not very careful something of this kind may happen to me.'"—*Punch*.

"What makes these stories impressive is not only the artistic skill shown in the application of supernatural elements, but the air of vraisemblance that distinguishes each narrative. Dr. James is a master of the art of 'true relation.'"—*Westminster Gazette*.

THE MOTTO OF MRS. McLANE. The Story of an American Farm. By SHIRLEY CARSON. 3s. 6d.

"Here is a story about which, given space and time, we should like to pour out our souls in rapturous eulogies. It is absolutely fascinating."—*Irish Times*.

A ROMANCE OF THE SIMPLE. By MARY J. H. SKRINE, Author of "A Stepson of the Soil." 6s.

"In 'A Stepson of the Soil' Mrs. Skrine touched her highest point so far. In 'A Romance of the Simple' she goes beyond it. It is the best thing she has done."—*Country Life*.

"To those who read it it must for its truth and originality remain one of the most remarkable books of the year."—*Standard*.

LOVE IN BLACK. By Sir H. HESKETH BELL, K.C.M.G., Governor of Northern Nigeria. 6s.

"The last volume in our list also concerns West Africa. Sir Hesketh Bell's 'Love in Black' is a delightful and successful experiment in a very difficult form of art. His seven short stories are almost wholly concerned with native life, but out of his far-away material he constructs very living dramas. The grim irony of the 'Yam Custom' and 'A Woman of Ashanti,' the broad comedy of 'His Highness Prince Kwakoo,' and the pathos of 'On Her Majesty's Service' are relieved by such charming idylls as the title-story and 'The Tale of a Tail-Girl.' A curious tenderness, especially when dealing with children, and a very real imaginative sympathy are the keynotes of the book."—*Spectator*.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W.

TRAVEL AND SPORT.

FROM PILLAR TO POST. By Lt.-Col. H. C. LOWTHER,
D.S.O., Scots Guards. Illustrated. 15s. net. [*Third Impression.*]

"His chapters are so full of good things that 'From Pillar to Post' should prove one of the reminiscence-books most in demand this season."—*Daily Telegraph*.

"Colonel Lowther has written a very delightful book which, from its very unpretentiousness, impresses the mind with a sense of actuality. His careless yarns about the war have more of the real ring about them than acres of florid and bombastic description. We can only urge everyone to beg, borrow, or steal the book and read it."—*Evening Standard*.

MY LIFE STORY. By EMILY, Shareefa of Wazan.
Fully Illustrated. 12s. 6d. net.

"This is a very remarkable book, and one that should interest alike those who are fascinated by the romance of reality and those who are always glad to learn about other races from those possessed of intimate knowledge."—*Daily Telegraph*.

MY ADVENTURES IN THE CONGO. By
MARGUERITE ROBY. With Illustrations and Map. 12s. 6d. net.

"A brilliant exposure of humanitarian humbug. After reading the book I have taken every means in my power to test the good faith of the writer. She is a woman whom I cannot describe otherwise than as a born leader. Read the book and you will know some of the qualities required for leadership."—*VANOS in the Referee*.

THE KING'S CARAVAN. Across Australia
in a Wagon. By E. J. BRADY. With Illustrations and Map.
12s. 6d. net.

"Mr. Brady's account conveys one of the strongest and clearest impressions of life in New South Wales and Queensland that we have read."—*Standard*.

**THE GREAT PLATEAU OF NORTHERN
RHODESIA.** By CULLEN GOULDSBURY and HERBERT SHEANE.
With 40 pages of Illustrations and a Map. 16s. net.

"The most minute, thorough, and interesting description that has yet been written of Northern Rhodesia. We thoroughly recommend this book."—*Standard*.

LONDON: EDWARD ARNOLD, 41 & 43 MADDOX STREET, W.

TRAVEL AND SPORT.

REMINISCENCES OF THE YUKON. By the Hon. STRATFORD TOLLEMACHE. With Illustrations. 12s. 6d. net.

ROUGHING IT IN SOUTHERN INDIA. By Mrs. M. A. HANDLEY. Illustrated. 12s. 6d. net.

"The scope of Mrs. Handley's book is quite inadequately indicated by the title; it really forms a welcome addition to our knowledge of the vast and complex subject of India in that it contains the impressions of a keen and shrewd observer on many Indian races, their manners, customs, religions, virtues, vices, and idiosyncrasies, as well as admirable descriptions of scenery, vivid accounts of hunting incidents and travel episodes, and instructive little asides on the political and economical, social and racial problems of the great peninsula. We recommend the book thoroughly; it is well written in a style that is as attractive as it is sound, and the matter is worthy of all consideration."—*Standard*.

THE WILDS OF PATAGONIA. A Narrative of the Swedish Expedition to Patagonia, Tierra del Fuego, and the Falkland Islands in 1907-1909. By CARL SKOTTSBERG, D.Sc., etc. With Illustrations and Maps. 15s. net.

"Few books of the kind that I have read in recent years are half as interesting. Instead of bloody records of the butchering of defenceless beasts (for it should never be forgotten that even tigers and rhinoceroses are practically without defence against quick-firing guns) we have an interesting account of plants, stones, natural history, and scientific problems, all set down by a young, well-educated and adventurous man. The book reads like what Captain Cook's adventures might have been had they been written by Sir Joseph Banks, and still preserved Cook's charm."—Mr. R. B. CUNNINGHAME GRAHAM in the *Saturday Review*.

THE SPORT OF SHOOTING. By OWEN JONES. With Illustrations. 10s. 6d. net.

A GAMEKEEPER'S NOTE-BOOK. By OWEN JONES and MARCUS WOODWARD. With Photogravure Illustrations. 7s. 6d. net.

TEN YEARS OF GAME-KEEPING. By OWEN JONES. With numerous Illustrations. 10s. 6d. net.

THE HORSE: Its Origin and Development, combined with Stable Practice. By Colonel R. F. MEYSEY-THOMPSON. With Illustrations. 15s. net.

BY THE SAME AUTHOR.

A HUNTING CATECHISM.

A FISHING CATECHISM.

A SHOOTING CATECHISM.

Fcap. 8vo., 3s. 6d. net each vol.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W

ACROSS THE BRIDGES. A Study of Social Life in South London. By ALEXANDER PATERSON. With Preface by the BISHOP OF SOUTHWARK. New and Cheaper Edition. Cloth, 2s. net; Paper, 1s. net.

"An extraordinary valuable book on the life of the children of the poor in South London. In its way it is the most remarkable work seen for years."—*Evening News*.

"It is a book that every M.P., every country and town councillor, everyone who plays, or aspires to play, any part in public life, ought to be compelled to read several times over."—*Daily Mail*.

"It has the interest of the most thrilling story. No one can read the book unmoved or uninterested."—*Westminster Gazette*.

Miss Loane's Books on the Lives of the Poor.

Miss Loane was a district nurse; she lived among the poor and for the poor; she knows the society of the poor from the inside, yet she comes in from the outside, consequently she sees closely enough to descry details accurately. There are no volumes of statistics, however precise, and no books about poor relief, however true to history, which can teach us what Miss Loane has learned.

THE COMMON GROWTH. By M. LOANE. 6s.

AN ENGLISHMAN'S CASTLE. By M. LOANE. 6s.

NEIGHBOURS AND FRIENDS.

By M. LOANE. 6s.

THE QUEEN'S POOR. By M. LOANE. 3s. 6d.

A BOOK THAT IS BEING WIDELY DISCUSSED.

MIRACLES OF THE NEW TESTAMENT.

A Study of Evidence. By the Rev. J. M. THOMPSON, Fellow of Magdalen College, Oxford. 3s. 6d. net.

The importance of this work may be gauged from the fact that Dr. Sanday has thought it worth while to devote a recent sermon, preached in the University Church at Cambridge, to meeting its arguments.

THE FAITH OF AN AVERAGE MAN. By

the Rev. C. H. MATTHEWS, M.A., Author of "A Parson in the Australian Bush," etc. 3s. 6d. net.

THE GRAVEN PALM. A Manual of the Science of Palmistry. By Mrs. ROBINSON. With about 250 original Illustrations. 10s. 6d. net.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W.

A SUMPTUOUS EDITION IN TWO VOLUMES

HANDLEY CROSS; or, Mr. Jorrocks's Hunt.

By R. S. SURTEES. With 24 Plates in Colour and 100 Black-and-White Illustrations by CECIL ALDIN. Edition de Luxe, £3 3s. net. General Edition, £1 1s. net.

This is a complete edition of Surtees' glorious work, illustrated by the one artist of the day who is pre-eminently fitted to do justice to it. The tale of the immortal Jorrocks and his Hunt is to-day the most popular classic work on fox-hunting, and Mr. Cecil Aldin is unquestionably the most popular sporting artist. He has entered heart and soul into the spirit of the work, and the excellence of his pictures proves that they were inspired by enthusiasm for his subject.

NEW AND CHEAPER EDITION.

SCOTTISH GARDENS. By the Right Hon. Sir

HERBERT MAXWELL, Bart. With 32 Coloured Plates from Pastel Drawings by Miss M. G. W. WILSON, Member of the Pastel Society and of the Scottish Society of Artists. New Edition. Medium 8vo. 7s. 6d. net.

A NEW EDITION REVISED.

A BOOK ABOUT ROSES. By the late Very Rev.

S. REYNOLDS HOLM, Dean of Rochester. With Coloured Plates. Crown 8vo. 3s. 6d.

This edition contains the Dean's latest corrections of his famous book, and a new chapter on "Progress" up to the present time by Dr. Alfred Williams, Member of Committee of the National Rose Society.

THE COTTAGE HOMES OF ENGLAND.

Drawn by HELEN ALLINGHAM and Described by STEWART DICK. Containing 64 Coloured Plates from Drawings never before reproduced. 8vo. (9½ in. by 7 in.), 21s. net. Also a limited Edition de Luxe, 42s. net.

"Mrs. Allingham is without a rival in the winning portrayal of simple British scenery."—*Daily Telegraph*.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W

THE PERFECT GENTLEMAN. A Guide to Social Aspirants. Compiled from the Occasional Papers of Reginald Drake Biffen. By HARRY GRAHAM, Author of "Lord Bellingering," "The Bolster Book," etc. Illustrated by LEWIS BAUMER. 6s.

In this volume the author of "Lord Bellingering" and "The Bolster Book" provides his readers with much excellent, if somewhat frivolous, advice upon a variety of interesting social topics, ranging from Art to Table-Manners, from Social Intercourse to Foreign Travel, from Dancing to Country-House Visiting. The author's lively style should recommend the work, not only to aspirants after social success, but also to every lover of humour. The value of these amusing essays is enhanced by the presence of some sixty clever drawings by Mr. Lewis Baumer, the famous *Punch* artist.

A Book for Every Home.

RUTHLESS RHYMES FOR HEARTLESS HOMES. By Captain HARRY GRAHAM. With Illustrations by G. GATHORNE HARDY. Paper boards, 2s. 6d. net.

THE BOOK OF WINTER SPORTS. With an Introduction by the Rt. Hon. the EARL OF LYTTON, and contributions from experts in various branches of sport. Edited by EDGAR SYERS. Fully Illustrated. Demy 8vo. 15s. net.

THE DUDLEY BOOK OF COOKERY AND HOUSEHOLD RECIPES. By GEORGIANA, COUNTESS OF DUDLEY. Handsomely bound. 7s. 6d. net. [*Fourth Impression.*]

COMMON-SENSE COOKERY. Based on Modern English and Continental Principles worked out in Detail. By Colonel A. KENNEY-HERBERT. Over 500 pages. Illustrated. 6s. net.

BY THE SAME AUTHOR.

FIFTY BREAKFASTS. 2s. 6d.

FIFTY LUNCHEONS. 2s. 6d.

FIFTY DINNERS. 2s. 6d.

LONDON: EDWARD ARNOLD, 41 & 43, MADDOX STREET, W.

UNIVERSITY OF CALIFORNIA
LIBRARY

Due two weeks after date.

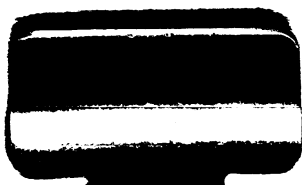
JAN 28 1913

FEB 10 1913

APR 23 1913

30m-7,'12

YB 08502



UNIVERSITY OF CALIFORNIA
LIBRARY

Due two weeks after date.

JAN 28 1913
FEB 10 1913

APR 23 1913

30m-7,'12